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**Consolidated Listing of Official
Gazette Notices Re—Patent and Trademark Office
Practices and Procedures**

The following is a compilation of the more important notices and rule changes which have been published in the OFFICIAL GAZETTE from July 1, 1964, through December 31, 1992. These notices and rule changes are currently in effect unless otherwise noted.

January 5, 1993



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January 5, 1993

**For sale by the Superintendent of Documents,
U.S. Government Printing Office
Washington, D.C. 20402**

**CONSOLIDATED LISTING OF OFFICIAL GAZETTE NOTICES
RE PATENT AND TRADEMARK OFFICE
PRACTICES AND PROCEDURES
PATENT NOTICES**

The following is a compilation of the more important notices and rule changes which have been published in the Official Gazette from July 1, 1964, through December 31, 1992. These notices and rule changes are currently in effect unless otherwise noted.

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INFORMATION AND CORRESPONDENCE

**(1) Official Patent Office Mailing Address
Remains Washington, D.C.**

The official mailing address for all communications sent to the Patent Office remains:

Commissioner of Patents and Trademarks
Washington, D.C. 20231

Any telegrams sent to the Patent Office must also bear the above identical address.

The physical location of the Patent Office is 2021 Jefferson Davis Highway, Arlington, Virginia. This address must not be used when addressing mail to the Patent Office.

No reference to Crystal Plaza, Virginia, should be made in the address of any communication intended for delivery to the Patent Office by the Post Office Department or Western Union.

Compliance with this instruction will help prevent any unnecessary delay of mail, telegrams, etc.

C. A. KALK,
Director of Administration.

Feb. 20, 1969.

(Office name change per Public Law 93-596, Jan. 2, 1975)

[860 O.G. 662]

**(2) Group Number on all Communications Going
to the Examining Groups**

Applicants and their attorneys or agents are reminded that the Group number should be typed on amendments and other communications relating to matters handled in the examining groups in order to expedite the processing of mail. The number of the Group should be placed on right-hand side, opposite the serial number or name of the applicant.

This reminder does not apply to notices and reasons of appeal to the United States Court of Appeals for the Federal Circuit.

These communications should be sent to the Solicitor at the address below:

Solicitor
Box 8
U.S. Patent and Trademark Office
Washington, D.C. 20231

Attention to these details will improve the efficiency and reduce the time necessary to process incoming mail.

Nov. 23, 1983.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1037 OG 25]

**(3) Mailing of Papers to the PTO in
Patent Interference Proceedings**

Effective immediately, attorneys and agents are requested to address all papers mailed to the Patent and Trademark Office in connection with an interference proceeding, and any patent or application involved in an interference proceeding, as follows:

BOX INTERFERENCE
Commissioner of Patents and Trademarks
Washington, D.C. 20231

Use of this address will considerably assist the Board in its administration of patent interference proceedings.

Nov. 28, 1983.

DONALD J. QUIGG,
*Deputy Commissioner of
Patents and Trademarks.*

[1037 OG 25]

**(4) Establishment of a Special Box for
Expedited Processing of Issue Fees**

Effective immediately, the Patent and Trademark Office has established a special box designator for issue fees to allow expedited processing of the Issue Fee Transmittal (PTOL Form 85), and the order for advance copies.

In order to take advantage of this new service, the envelope should be addressed:

Box Issue Fees
Commissioner of Patents and Trademarks
Washington, D.C. 20231

Only the Issue Fee Transmittal (PTOL Form 85), advance copy orders and the fees associated with these two services are to be placed in the envelope. Including documents other than those specified will delay their reaching the area for which they were intended.

PLEASE USE THE NEW ISSUE FEE BOX.

Mar. 4, 1988

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1088 OG 41]

**(5) Establishment of Three Special Boxes
for Expedited Processing**

The Patent and Trademark Office has established three additional special boxes to allow expedited processing of non-fee amendments to patent applications, petitions for filing date and/or serial number information for patent applications, and issue fees.

In order to take advantage of these new expedited services, the envelope must be addressed:

(6)

For non-fee amendments to patent applications:
Box Non-Fee Amendments (Pats)
Commissioner of Patents and Trademarks
Washington, D.C. 20231

For petitions under 37 CFR 1.182 and associated fees for obtaining filing date and/or serial number information for patent applications prior to receipt of the official "Filing Receipt", "Notice to File Missing Parts", or "Notice of Incomplete Application".

Box SN
Commissioner of Patents and Trademarks
Washington, D.C. 20231

For Issue Fee Transmittals (PTOL Form 85) and associated fees and corrected drawings:

Box Issue Fees
Commissioner of Patents and Trademarks
Washington, D.C. 20231

Only those documents specified for the special box are to be placed in the envelope addressed to that special box. Placing extraneous documents in an envelope marked for any special box will significantly delay their reaching the area for which they were intended.

Mar. 22, 1988.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1089 OG 45]

(6)

Changes in How Papers May be Filed in the Patent and Trademark Office

Beginning April 21, 1992, an improved service will be offered to people who wish to file papers directly with the Patent and Trademark Office (PTO) by extending the hours of operation for the Attorneys' Window located in Room 1B03 of Crystal Plaza Building 2, Arlington, Virginia. The current hours of operation are from 8:30 a.m. to 5:00 p.m., Monday through Friday, except Federal holidays within the District of Columbia. The change will extend the hours of operation until 12:00 midnight on Monday through Friday, except holidays, on a trial basis. If, after six months, usage does not warrant retaining operations until midnight, the hours of operation will be reduced.

This change will provide walk-up, personalized service to firms and individuals who are filing documents with the PTO. The PTO will continue to stamp postcard-type receipts to acknowledge the receipt of papers filed at the Attorneys' Window.

Also, effective on April 21, 1992, the PTO is discontinuing the use of drop boxes in the lobby of Crystal Plaza Building 3, Arlington, Virginia, and at the main entrance of the Department of Commerce Building, Washington, D.C. (37 CFR 1.6(c)) as means for receiving papers.

These changes will provide improved services with respect to receipt and processing of documents while, at the same time, overcoming problems with the present arrangement.

Problems encountered with the present arrangement for the drop boxes have occasionally made it difficult to determine the dates of actual deposit of papers. For example, there have been many incidents of papers being found outside of the drop boxes (e.g., on the floor of the main lobby of the Department of Commerce Building, on the guard's desk, on a nearby table, etc.). On occasion, the PTO and/or filers have been denied access to the drop box at the Department of Commerce by building security guards due to a special event taking place in the lobby.

Provisions are also available for filing papers through the use of the certificate of mailing (37 CFR 1.8) and the Express Mail (37 CFR 1.10) procedures.

March 17, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1137 OG 7]

(7) Identifying Application Correspondence With Issue Batch Number

Applicants or their attorney or agent can facilitate matching incoming papers with the corresponding application file by indicating the Issue Batch Number on all papers filed in the Office after receiving the Notice of Allowance and before the time the Issue Fee Receipt is received.

The Issue Batch Number is printed on the Notice of Allowance form in Box 4 in the lower left-hand corner below the address. The Issue Batch Number consists of a capital letter followed by two digits, for example; "A03," "D18," "F42," "J79." Any lower case letters before the Issue Batch Number should be ignored since they are the typist's initials. Use of the Issue Batch Numbers is important since the allowed applications are filed by these numbers.

Any paper filed after receiving the Issue Fee Receipt should include the indicated patent number rather than the Issue Batch Number. At this time in the processing, the Issue Batch Number is no longer useful since the application has been removed from the batch at the time the patent number was assigned.

Jan. 16, 1976.

RICHARD J. SHAKMAN,
*Assistant Commissioner
for Administration.*

[943 O.G. 519]

(8) Post Card Receipt Reminder

Applicants and the agents are reminded of the provision in Section 717.01(a) (now Section 503) of the Manual of Patent Examining Procedure relating to the use of post cards as "receipts" of papers filed in the Patent Office.

If a receipt for any paper filed in the Patent Office is desired, it may be had by enclosing with the paper a self-addressed post card identifying the paper. The Patent Office will stamp the receipt date on the card and place it in the outgoing mail.

The identifying data on the card should be so complete as to match the paper with the application or other document to which it is to be associated. For example, the document should be identified by the applicant's name(s), Serial No., filing date, appeal number, interference number, etc., and the paper should be identified by specifying the type thereof, viz, affidavit, amendment, appeal, application papers, brief, drawings, fees, motions, supplemental oath or declaration, petition, etc.

When papers for more than one document are filed under a single cover a return post card should be attached to the paper for each document for which a receipt is desired.

Nov. 21, 1968.

RICHARD A. WAHL,
Assistant Commissioner.

[857 O.G. 667]

(9) Acknowledgement of Receipt of a Patent or Trademark Application

When early notification of the serial number of newly filed application papers is desired, a *stamped, self-addressed post card* should be submitted with each application. Immediately after the mail has been opened in the Patent and Trademark Office, the post card will be stamped with both the receipt date and the serial number, and then returned to the addressee.

Within recent months, hundreds of cards could not be successfully returned because of insufficient postage or incomplete or nonexistent forwarding addresses. Accurate and complete addresses, including ZIP codes, are necessary to ensure prompt acknowledgement of the receipt of patent and trademark applications.

To assist in easy identification once the post card has been returned, it is suggested that the post card include applicant's names and title of invention.

When more than one set of application papers is filed under one cover, a return post card should be attached to each set of papers for which a receipt is desired.

July 19, 1982.

THERESA A. BRELSFORD,
*Acting Assistant Commissioner
for Administration.*

[1021 O.G. 96]

(10)

Inclusion of Preliminary Classification on Filing Receipts

In response to a request from a patent attorney, we will print the preliminary classification assigned to an application on the filing receipt. It will show the class only and will be labeled "PRELIMINARY CLASS:". The new field will appear on the filing receipt shortly. We will not accept requests to correct the filing receipt for errors in or changes to the preliminary class.

Feb. 18, 1987.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1076 OG 25]

(11)

Handling of Status Inquiries

This notice is intended to supplement the discussion set forth in the *Official Gazette* Notice published at 893 *Official Gazette* 810 entitled "Status Inquires" (Dec. 21, 1971).

It has come to the attention of the Patent and Trademark Office (PTO) that its employees may have improperly released confidential information concerning pending applications. Specifically, issue date and patent number information assigned to pending applications may have been improperly released.

No information concerning pending or abandoned patent applications (except reissue applications and reexamination proceedings) may be given to the public by the PTO without the authorization of the applicant or the assignee or attorney or agent of record. 35 USC § 122 and 37 CFR § 1.14. Other exceptions are specified at 37 CFR § 1.14.

However, PTO employees will release information on the status of patent applications to the applicant or assignee or attorney or agent of record if the identity of the requestor can be adequately verified as set forth below.

Telephonic status inquiries should continue to be directed to the PTO clerical personnel. The PTO clerical personnel will obtain the caller's full name, the application serial number and the caller's telephone number. The PTO clerical personnel will ask the caller if there is an attorney or agent of record.

If there is an attorney or agent of record, the PTO clerical personnel will ask for his/her registration number. If the registration number is not known, the PTO clerical personnel will ask for the name of the attorney or agent of record. The PTO clerical personnel will inform the caller that an attorney or agent of record will be called after verification of his/her identity and that the requested status information concerning the application will be released to that attorney or agent.

If there is no attorney or agent of record, the PTO clerical personnel will ask the caller why he/she is entitled to information concerning the application. If the caller identifies himself/herself as an applicant or an authorized representative of the assignee of record, the PTO clerical personnel will ask for the correspondence address of record. Then, the PTO clerical personnel will inform caller that his/her association with the application must be verified before any information concerning the application can be released, and that he/she will be called back. If the caller indicates that he/she is not an applicant or an authorized representative of the assignee of record, the PTO clerical personnel will inform caller that no information concerning that application will be released.

The PTO clerical personnel will then verify the identity of any caller claiming to be associated with the application by

checking the Patent Application Locating and Monitoring (PALM) system or the application file.

If an attorney or agent is of record in the application, the PTO clerical personnel will release the status information concerning the application by calling the attorney's or agent's telephone number obtained from PALM or the application file.

If the applicant or an authorized representative of the assignee of record requests information, and there is no attorney or agent of record and the correspondence of record has been verified, the PTO clerical personnel will release the status information to the caller using the telephone number given by the caller. If the caller's association with the application cannot be verified, no information concerning the application will be released. However, the caller should be informed that the caller's association with the application could not be verified.

In handling an in-person status request, PTO clerical personnel will ask the requester to wait while verifying their identification as set forth above.

May 14, 1990

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1115 O.G. 17]

(12)

Change in Legal Holidays

The Commissioner's Notice of Sept. 25, 1979, "Change in Legal Holidays," is hereby rescinded, in view of Public Law 98-144, enacted Nov. 2, 1983, which amended the listing of legal public holidays in 5 USC § 6103. That amendment took effect in 1986 and added a new legal holiday relating to the birthday of Martin Luther King, Jr. This new holiday is designated for the third Mon. in Jan.

Section 6103, as amended, reads as follows:

New Year's Day, Jan. 1.
Birthday of Martin Luther King, Jr., the third
Mon. in Jan.
Washington's Birthday, the third Mon. in Feb.
Memorial Day, the last Mon. in May.
Independence Day, July 4.
Labor Day, the first Mon. in Sept.
Columbus Day, the second Mon. in Oct.
Veterans Day, Nov. 11.
Thanksgiving Day, the fourth Thurs. in Nov.
Christmas Day, Dec. 25.

Each of the holidays enumerated will constitute a "Federal holiday within the District of Columbia," as referred to in Section 21, Title 35, United States Code. In accordance with 37 CFR 1.6(a) and 1.10(a), the Patent and Trademark Office will not receive papers on these holidays. Actions required to be taken on such days may be taken on the next succeeding day that the Office is open for business in accordance with 37 CFR 1.7.

July 15, 1986.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1069 OG 12]

(13) Closing of Patent and Trademark Office on Monday, Jan. 26, 1987

In view of the official closing of the Federal and District of Columbia government offices in the Washington, D.C. metropolitan area, including the Patent and Trademark Office, on Jan. 26, 1987, the Patent and Trademark Office will consider Jan. 26, 1987, a "federal holiday within the District of Columbia" under 35 U.S.C. § 21. Any action or fee due that day will be considered as timely for the purpose of, e.g., 35 U.S.C. §§

(14)

119, 133 and 151, if the action is taken, or fee paid, on Jan. 27, 1987.

Jan. 28, 1987.

DONALD W. PETERSON,
*Acting Assistant Secretary
and Commissioner of Patents
and Trademarks.*

[1075 OG 29]

(14) **Closing of Patent and Trademark Office
on Monday, Feb. 23, 1987**

In view of the official closing of the Federal and District of Columbia government offices in the Washington, D.C. metropolitan area, including the Patent and Trademark Office, on Feb. 23, 1987, the Patent and Trademark Office will consider Feb. 23, 1987, a "federal holiday within the District of Columbia" under 35 U.S.C. § 21. Any action or fee due that day will be considered as timely for the purposes of, e.g., 35 U.S.C. §§ 119, 133 and 151, if the action is taken, or fee paid, on Feb. 24, 1987.

Feb. 27, 1987.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1098 OG 548]

(15) **Closing of the Patent and Trademark Office
on Friday, Jan. 20, 1989**

In view of the fact that Federal and District of Columbia government offices in Washington, D.C. metropolitan area, including the Patent and Trademark Office were officially closed on Jan. 20, 1989, the Patent and Trademark Office will consider Jan. 20, 1989, a "holiday within the District of Columbia" under 35 U.S.C. § 21. Any action or fee due that day will be considered as timely for the purposes of e.g. 35 U.S.C. §§ 119, 133 and 151, if the action is taken, or fee paid, on Jan. 23, 1989. Papers deposited in U.S. Department of Commerce District Offices on Jan. 20, 1989, will similarly be considered timely for the purposes of 35 U.S.C. §§ 119, 133 and 151.

Jan. 6, 1989

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1098 OG 548]

(16) **Filing of Papers During Unscheduled Closings
of the Patent and Trademark Office**

When the Patent and Trademark Office is officially closed by Executive Order of the President or by the Office of Personnel Management for an entire day because of some unscheduled event, such as adverse weather conditions, the Patent and Trademark Office will consider that day as a "federal holiday within the District of Columbia" under 35 U.S.C. § 21. Any action or fee due that day will be considered as timely for the purposes of, e.g., 35 U.S.C. §§ 119, 133 and 151, if the action is taken, or fee paid, on the next succeeding business day on which the Patent and Trademark Office is open.

When the Patent and Trademark Office is open for business during any part of a business day between 8:30 a.m. and 5:00 p.m., papers are due on that day even though the Office may be officially closed for some period of time during the business day because of an unscheduled event. The procedures of 37 CFR 1.8 or 1.10 may be used, as appropriate, for the filing of papers. On any day the Office is open for at least part of the day, papers may also be deposited up to midnight in any boxes which are

provided by the Patent and Trademark Office under 37 CFR 1.6(c).

Information regarding whether or not the Office is officially closed on any particular day may be obtained by calling (703)-557-INFO.

Nov. 18, 1988

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks*

[1097 OG 53]

(17) **Iraqi Sanctions Regulations**

On January 18, 1991, the Department of the Treasury, Office of Foreign Assets Control (OFAC), published the Iraqi Sanctions Regulations (Regulations) (31 CFR Part 575). 56 Fed. Reg. 2112. The regulations implement Executive Orders 12722 (August 2, 1990) and 12724 (August 9, 1990) relating to certain property and transactions in which the Government of Iraq and persons in Iraq may have an interest.

It appears that the provisions of the Executive Orders and Regulations prohibit transactions relating to the filing or prosecution of applications for patents or for registration of trademarks, where an Iraqi interest is involved. The prohibited transactions, however, may be authorized by a specific license issued pursuant to the procedures described in Section 575.801 of Subpart H of the Regulations.

This notice is intended to alert practitioners and applicants to the prohibitions which may apply to matters before the Patent and Trademark Office, (PTO) if Iraqi interests are involved. This notice is further intended to advise that where such interests or potential interests come to the attention of the PTO, an appropriate specific license from OFAC may be required

Jan. 29, 1991

HARRY F. MANBECK, Jr.
*Commissioner of Patents
and Trademarks*

[1123 OG 37]

(18) **Drawings in Patent Applications Filed
After January 1, 1989**

The general rule applicable to release of any paper in a patent application file is that no paper (including a drawing) will be returned for any purpose whatever. 37 CFR 1.59. New rules published in the *Official Gazette* (1097 OG 36 (December 13, 1988)) effective January 1, 1989, no longer require the submission of formal drawings in a patent application. Since corrections are the responsibility of the applicant, the original drawing(s) should be retained by the applicant for future correction, if necessary.

As a result of adoption of these new rules relating to drawings, the Patent and Trademark Office will no longer release to applicants, bonded drafting companies or others, drawings from patent applications filed after January 1, 1989, and after January 1, 1991, no drawings may be borrowed from the office.

Access to applications is still provided with the proper power to inspect. If copies of any papers or drawings within the application are required, arrangements may be made through the File Information Unit and copies may be made in the Public Search Room. If there is some extraordinary situation that requires release of an original drawing in possession of the office, relief may be requested by filing a petition under 37 CFR 1.183.

July 7, 1989

THERESA A. BRELSFORD
*Assistant Commissioner
for Administration*

[1105 OG 68]

(19) Submission of Corrected Drawings in Allowed Applications

When drawings need to be corrected in an allowed application, the applicant is required to submit acceptable corrected drawings within a three-month shortened statutory period. Within that three-month period, two weeks should be allowed for review of the correction by the Office. If a correction is determined to be unacceptable by the Office, the applicant must arrange to have an acceptable correction re-submitted within the original three-month period to avoid the necessity of obtaining an extension of time and of paying the extension fee. Therefore, the applicant should file corrected drawings as soon as possible following the setting of the three-month shortened statutory period.

Jan. 14, 1985.

THERESA A. BRELSFORD,
Assistant Commissioner
for Administration.

[1051 OG 3]

(20) Rules Concerning Conduct on Patent and Trademark Premises**1. Applicability**

These rules apply to all premises under the charge and control of the U.S. Patent and Trademark Office (PTO) through the General Services Administration and to all persons entering such premises.

2. Admission to Property

Patent and Trademark Office facilities are closed to the public outside of normal working hours. During normal working hours, a valid User Pass is required to enter PTO premises.

The individual's User Pass must be displayed at all times while on PTO premises.

3. Preservation of Property/Conduct on PTO Premises

The following activities are prohibited on PTO premises:

a. Improperly disposing of rubbish; willfully destroying or damaging property; theft of property; creating a hazard to persons or things; and placing Government documents or materials in storage lockers.

b. The willful and unlawful concealment, removal, mutilation, obliteration or destruction, or attempts to do so, or, with intent to do so, or taking and carrying away of any record, book, paper, document, or other things from the facilities shall result in a fine of not more than \$2,000 or imprisonment of not more than 3 years, or both. See 18 U.S.C. § 2071.

c. Removal of papers, materials, or other Government property from designated areas. Within a designated area, papers or other Government property must be returned to its proper location after use, unless otherwise posted.

d. Using PTO premises and facilities as a place of business. It is prohibited to reserve work areas, use PTO as a mailing address, use PTO stationery, or a PTO telephone number as a personal telephone number.

4. Inspection

Packages, briefcases, storage lockers and other containers in the possession of visitors, employees, or other persons arriving at, working at, visiting, or departing from the PTO are subject to inspection. See 41 CFR § 101-20.301.

5. Disturbances

Disorderly conduct or other conduct which creates a loud or unusual noise or a nuisance which impedes or disrupts the performance of official duties by Government employees or which prevents the public from obtaining the administrative

services provided on the property in a timely manner is prohibited. See 41 CFR § 101-20.305.

6. Conformity with signs and directions

Persons on the PTO premises shall at all times comply with the official signs of a prohibitory, regulatory or directory nature and with the lawful direction of PTO employees.

No rude or abusive conduct to PTO employees and fellow users.

No food or beverages are permitted.

No smoking except in designated areas.

No mechanical or electronic equipment such as radios, televisions, typewriters, computers, or photographic equipment may be used without prior permission from the Assistant Commissioner for Administration.

No use of PTO telephone and office equipment, except as specifically designated for public use.

7. Penalties and other laws.

Nothing in these rules shall be construed to abrogate any other Federal laws or regulations or any State and local laws and regulations applicable to any area in which property under the charge and control of the PTO through the U.S. General Services Administration is situated. See 40 U.S.C. §§ 318(c) and 486(c).

41 CFR § 101-20.315 provides that whoever is found guilty of violating the rules of conduct on Federal property contained in 41 CFR § 101-20.3 while on any property under the charge and control of the U.S. General Services Administration is subject to a fine of not more than \$50, imprisonment of not more than 30 days, or both. See 40 U.S.C. § 318c.

Failure to follow these rules may result in immediate removal from the premises, suspension of user privileges, and/or enforcement of any criminal sanctions that may apply.

Aug. 30, 1991

THERESA A. BRELSFORD
Assistant Commissioner for
Administration

[1131 OG 7]

(21) Unlawful Removal of Labels

We have found a large number of security labels, torn from Search Room patent copies, in stack areas of the Public Search Room. We remind persons removing security labels or otherwise mutilating Search Room patent copies, or removing Search Room patent copies from the Search Room without authorization, that such acts are criminal offenses punishable by fine, imprisonment or both.

You should be aware that engaging in such acts violates the prohibition against "the willful destruction of or damage to property; the theft of property." 41 Code of Federal Regulations § 101-20.303. Violations are punishable by "a fine of not more than \$50 or imprisonment of not more than 30 days, or both." 41 Code of Federal Regulations § 101-20.315.

You should also be aware that engaging in such acts subjects you to punishment under the following criminal provision in Title 18 U.S. Code, § 2071:

(a) Whoever willfully and unlawfully conceals, removes, mutilates, obliterates, or destroys, or attempts to do so, or, with intent to do so takes and carries away any record, proceeding, map, book, paper, document or other thing * * * shall be fined not more than \$2,000 or imprisoned not more than three years, or both.

(b) Whoever, having custody of any such record, proceeding, map, book, document, paper, or other thing,

(22)

willfully and unlawfully conceals, removes, mutilates, obliterates, falsifies, or destroys the same, shall be fined not more than \$2,000 or imprisoned not more than three years, or both; and shall forfeit his office and be disqualified from holding any office under the United States.

UNLESS THE REMOVAL OF SECURITY LABELS FROM SEARCH ROOM PATENT COPIES CEASES, THE OFFICE WILL TAKE APPROPRIATE ACTION, SUCH AS EXERCISING ITS AUTHORITY UNDER 41 CODE OF FEDERAL REGULATIONS § 101-20.301 TO INSPECT PACKAGES, BRIEFCASES AND OTHER CONTAINERS BROUGHT INTO, WHILE ON, OR BEING REMOVED FROM THE SEARCH ROOM.

Mar. 28, 1983.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1029 OG 136]

(22)

Out-of-Town Request for Files

Delays are being experienced in receiving files ordered from the Federal Records Center in Suitland, Md. Therefore, more time must be allowed when out-of-town requestors are ordering patented files or abandoned or registered trademark files in advance of their arrival in the area. Until recently, a five-day notice was sufficient to obtain a file located in the Federal Records Center. Now we are suggesting that ten days be allowed when ordering Suitland files. A 24-hour notice is still normally adequate when the file is located in the PTO File Repository in Crystal City. Out-of-town requests for files should be directed to Ms. Jacqueline Waldo on (703) 557-2977. Requestors will be notified by phone, prior to planned arrival date, whether or not the requested file will be available.

July 10, 1984

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1045 O.G. 3]

(23)

Use of Certificate of Correction Forms

The purpose of this notice is, to once again, remind patentees and their attorneys and agents to submit the text of any correction under 37 CFR 1.322 and 1.323 on the Certificate of Correction form, PTO-1050, which is available free of charge from the Patent and Trademark Office. The presentation of all corrections on this form permits its use as camera copy for prompt, direct offset printing of the Certificate of Correction.

Instructions for use of Form PTO-1050 are printed on the top portion thereof, and are also set forth, in further detail, in Section 1402.02 of the Manual of Patent Examining Procedures. It is especially important that the typing be clean and clear. Both thin, light type and heavy, smudged type should be avoided. Changes and corrections are preferably made by use of white opaque correction fluid.

The typing should be within the borders printed on the form and a two-inch blank space should be left at the bottom of the last page of the form for the placement of the signature of the Attesting Officer.

Both sheets of the printed form should be forwarded to the Office. The copies should be stapled together only at the upper left-hand margin at the indicated location.

Copies of form PTO-1050 may be obtained, as needed, from either the Correspondence and Mail Division in Building 2, or from the receptionist in the lobby of Building 3, Crystal Plaza, Arlington, Va.

May 10, 1977.

RICHARD J. SHAKMAN,
*Assistant Commissioner for
Administration.*

[959 O.G. 3]

(24)

Notice to Subscribers

The Patent and Trademark Office announces a change in the point of contact for subscribers who have not been receiving all of their copies of the Official Gazette, Manual of Patent Examining Procedures Revisions, Annual Indices, or other patent and trademark publications. All correspondence and inquiries concerning subscription services including requests for reinstatement or renewal of subscriptions should be directed to:

Mr. Michael F. DiMario
Assistant Public Printer
Superintendent of Documents (SD)
U.S. Government Printing Office
Washington, D.C. 20401

Furthermore, the Superintendent of Documents advises that expiration notices are sent out approximately three months before the expiration date. However, subscribers should not rely on this schedule. If a notice is not received within two months of the expiration date, the subscriber should renew the subscription with the Superintendent of Documents. Attach a label from the envelope in which the publication is received, together with a check covering the amount of the subscription. If a deposit account with the Superintendent of Documents is to be used, include the deposit account number with the renewal.

This notice is effective with the publication date and supersedes the notice published on this subject in 969 O.G. 2, dated Mar. 14, 1978.

Aug. 3, 1984.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1045 O.G. 28]

(25) Filing of a Notice of Appeal to the Court of Appeals for the Federal Circuit in the Patent And Trademark Office

This notice supersedes a notice entitled Filing of a Notice of Appeal to the Federal Circuit and Service of Court Papers on the Commissioner of Patents and Trademarks published at 1079 Off. Gaz. Office 72 (June 30, 1987).

A notice of appeal to the Court of Appeals for the Federal Circuit may be filed in the Patent and Trademark Office in any one of the following ways:

A. By first-class mail addressed as follows, in which case the notice of appeal must actually reach the Patent and Trademark Office by the due date:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

B. By "Express Mail" (U.S. Postal Service only) under 37 CFR § 1.10 addressed as follows, in which case the notice of appeal is deemed filed on the date of the Express Mail certificate:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

C. By hand (on or before the due date) to the Office of the Solicitor. The Office of the Solicitor is located at:

Crystal Park II
Suite 918
2121 Crystal Drive
Arlington, Va.

D. By facsimile transmission to the Office of the Solicitor. The telephone number for accessing the Office of the Solicitor facsimile machine is (703) 557-9373. A notice of appeal will be deemed timely filed on the date the facsimile transmission is received by the Office of the Solicitor, provided an original

notice of appeal is subsequently received in either of the following ways:

(1) An original, signed copy of the notice of appeal is actually received in the Office of the Solicitor within five calendar days of the facsimile transmission; or,

(2) An original, signed copy of the notice of appeal is mailed by "Express Mail" (U.S. Postal Service only) under 37 CFR § 1.10 on the day of the facsimile transmission.

The facsimile machine for receiving a notice of appeal is located in the Office of the Solicitor and is staffed during the business hours of 8:30 a.m. to 5:00 p.m., Monday through Friday, excluding holidays. Due to possible equipment failure or maintenance requirements, precautions must be taken when relying on the availability of this service near the end of the time for filing a notice of appeal.

Mar. 22, 1990

FRED E. McKELVEY
Solicitor

[1113 O.G. 27]

(26) Service of Court Papers on the Commissioner of Patents and Trademarks

Court papers other than a notice of appeal to the U.S. Court of Appeals for the Federal Circuit may be served on the Commissioner in either of the following ways:

A. By *hand* between 8:30 a.m. and 5:00 p.m. at the Office of the Solicitor, located in Crystal Park II, Suite 918, 2121 Crystal Drive, Arlington, Va.

B. By *mail* in an envelope addressed as follows:
Office of the Solicitor
P.O. Box 15667
Arlington, Va. 22215

While the above mail service address may be supplemented to include the name of the particular attorney assigned to the court case, it must *not* be supplemented to refer to either the Commissioner of Patents and Trademarks or the U.S. Patent and Trademark Office (PTO).

Court papers mailed to an address other than the above mail service address and court papers delivered by hand are deemed to have been served on the Commissioner when actually received in the Office of the Solicitor.

Papers which are not court papers and are intended to be filed in the PTO in connection with an application or other proceeding pending in the Office shall not be mailed to the Solicitor's mail service address. Any such papers which are mailed to the Solicitor's mail service address will not be considered to have been filed in the PTO. Instead, all such papers will be returned. No exceptions will be made to this policy.

Mar. 22, 1990

FRED E. McKELVEY
Solicitor

[1113 O.G. 28]

(27) Appeals to the Federal Circuit

Patent applicants should designate as appellants all named inventors in any notice of appeal to the U. S. Court of Appeals for the Federal Circuit when appealing a decision of the Board of Patent Appeals and Interferences.

In a recent unpublished opinion in *In re Deckert*, Appeal No. 89-1386 (Fed. Cir. Nov. 29, 1989), the Federal Circuit notes:

Deckert's co-inventors Couble and Bonnetti are not parties to this appeal because they were not specifically named in the notice of appeal. Fed. R. App. P. 15(a). See *Torres v.*

Oakland Scavenger Co., 108 S. Ct. 2405, 2409 (1988) (construing similar requirement of Fed. R. App. P. 3(c)).

Dec. 14, 1989

FRED E. McKELVEY
Solicitor

[1110 O.G. 620]

(28)

Department of Commerce Patent and Trademark Office 37 CFR Parts 1 and 2

[Docket No. 80480]

Communications with the Office of the Solicitor

Agency: Patent and Trademark Office, Commerce.

Action: Final rule; technical amendments.

Summary: On Mar. 24, 1987, final rules regarding the address of certain communications to the Patent and Trademark Office were issued. (52 FR 9394, Mar. 24, 1987.) Also, on Mar. 7, 1985 and Aug. 11, 1986, final rules regarding the court review of decisions by the Patent and Trademark Office Board of Patent Appeals and Interferences and the Trademark Trial and Appeal Board, respectively, were issued. (50 FR 9383, Mar. 7, 1985 and 51 FR 28710, Aug. 11, 1987.)

This notice makes technical corrections to § 1.1, 1.302 and 2.145(b) by specifying the address to which correspondence should be sent to the Office of the Solicitor. The change reflects existing practice consistent with rules of court governing service of court papers on the Solicitor. The change also will expedite the processing of other non-court communications with the Office of the Solicitor.

Effective Date: June 9, 1988

For Further Information Contact: John H. Raubitschek by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: The Patent and Trademark Office (PTO) finds for good cause that because the technical changes made by this rule will have no substantive effect, it is unnecessary to seek prior public comment of this rule under 5 U.S.C. 553. Because a notice of proposed rulemaking and an opportunity for public comment is not required for this technical amendment, this rule is also exempt from the provisions of the Regulatory Flexibility Act requiring a regulatory flexibility analysis. The PTO has determined that this rule is not a major rule within the meaning of section 1(b) of Executive Order 12291. The PTO has also determined that this rule has no federalism implications affecting the relationship between the national government and the States as outlined in Executive Order 12612. This rule does not contain a collection of information for purposes of the Paperwork Reduction Act.

List of subjects:

Administrative practice and procedure, Courts, Inventions and patents, Trademarks

For the reasons set forth above, 37 CFR Parts 1 and 2 are amended as follows:

Part 1—Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.1 [Amended]

Section 1.1 is amended by adding new paragraph (g)

(g) All communications relating to pending litigation which are required by the Federal Rules of Civil or Appellate Procedure or by a rule or order of a court to be served on the Solicitor

(29)

shall be hand-delivered to the Office of the Solicitor or shall be mailed to: Office of the Solicitor, P.O. Box 15667, Arlington, Va. 22215 or such other address as may be designated in writing in the litigation. All other communications to the Office of the Solicitor should be addressed to: Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231. Any communication which does not involve pending litigation which is received at P.O. Box 15667 will not be filed in the Office but will be returned. See § 1.302(c) and 2.145(b)(3) for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit.

3. Section 1.302 [Amended]

Section 1.302 is amended by adding new paragraph (c)

(c) A notice of appeal, if mailed to the Office, shall be addressed as follows: Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Part 2—Rules of Practice in Trademark Cases

4. The authority citation for 37 CFR Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

5. Section 2.145(b) [Amended]

Section 2.145(b) is amended by adding new paragraph (b)(3).

(b)(3) The notice, if mailed to the Office, shall be addressed as follows: Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

DONALD J. QUIGG
Assistant Secretary and
Commissioner of Patents
and Trademarks.

May 3, 1988.

[1090 O.G. 72]

(29) Appeals to the Federal Circuit from PTO

This notice was originally prepared by the Solicitor and Associate Solicitor Richard E. Schafer for presentation at the Eighth Annual Judicial Conference of the U.S. Court of Appeals for the Federal Circuit. The notice discusses litigation philosophy of the Office of the Solicitor of the Patent and Trademark Office and other matters which may be helpful to appellants and others seeking judicial review of PTO decisions in the U.S. Court of Appeals for the Federal Circuit.

October 5, 1990

FRED E. McKELVEY
Solicitor

I. Introduction

This notice discusses the philosophy of the Office of the Solicitor when representing the Commissioner before the Federal Circuit and other courts. The notice is also designed to assist appellants and others seeking judicial review of Patent and Trademark Office (PTO) decisions in the Federal Circuit. Much of what is said in the notice is also applicable to those instances where judicial review is sought of PTO decisions in a district court.

II. Solicitor's litigation philosophy

The Office of the Solicitor and its attorneys start with the proposition that justice is done when the right result is reached. The Solicitor is not an advocate who needs to win to be satisfied. Rather, the public interest is served when:

- (1) a patent issues on a patentable invention;
- (2) a patent is refused on an unpatentable invention;

- (3) a trademark is registered if entitled to registration under Title 15;
- (4) a trademark is refused registration if not entitled to registration under Title 15; or
- (5) PTO rules are properly applied within PTO and by reviewing courts.

Our litigation philosophy is expressed in *Berger v. United States*, 295 U.S. 78, 88 (1935):

The . . . [Government attorney] is the representative not of an ordinary party to a controversy, but of a sovereignty whose obligation to govern impartially is as compelling as its obligation to govern at all; and whose interest . . . is not that it shall win a case, but that justice shall be done. As such, he is in a peculiar and very definite sense the servant of the law, the twofold aim of which is that guilt shall not escape or innocence suffer.

The Office of the Solicitor does more than simply "defend" an appeal. Rather, it will determine whether:

- (a) appeals are ripe for judicial consideration;
- (b) there are steps a party might take in PTO to obviate the appeal, e.g., amendments which might be made to claims to conform an argument to the subject matter being claimed—we often find that arguments in a brief are based on limitations which do not appear in the claims;
- (c) there is material not in the record which might provide a full answer to an argument—particularly a new one—made in a brief; and/or
- (d) the deciding official or board should be approached to see if it wishes to reevaluate its decision in view of a change in the law, a credible argument that the decision may not be correct, or a matter which may have been overlooked.

Most of the time, it takes more effort to implement this philosophy than it would take simply to brief and argue a matter.

Generally, in a Federal Circuit matter, the Office of the Solicitor—apart from designating an appendix—does not "get deeply into" a case until appellant's brief is filed. Exceptions occur, i.e., *inter partes* patent and trademark cases where the board opinion is reviewed to see if an *amicus* brief might be appropriate to assist the Federal Circuit with PTO practice.¹ This is not to say that an appellant should not feel free to discuss an appeal with an attorney in the Solicitor's Office. But, ordinarily in an *ex parte* case, we do not spend time until we see appellant's brief. The reason is that a large number of appeals are simply dismissed without the need for us to do much, if any, work.

Table 1, below, shows the disposition of appeals from October 1985 through April 1990. About 23%, i.e., 146, of the cases were dismissed with little, if any, work having been done by the Office of the Solicitor on the appeal. If we conducted a review of all appeals when filed, our Federal Circuit "workload" would increase about 23%. We do not have the resources to effectively carry on 23% more work.

We find a lot of cases are not ripe or otherwise ready for judicial review. When we determine that more work needs to be done before the Federal Circuit should consider a case, we generally move to remand. Fed. Cir. R. 27(c) provides that a remand generally should be requested prior to briefing. However, since we generally cannot efficiently take up cases until appellant's brief is filed, we now file motions to remand along with our brief. A merits panel is then in a position to evaluate whether it should hear the case on the merits or order a remand.

There are a variety of reasons why we seek remands.

¹ See e.g., *Fujiie v. Verhagen*, Fed. Cir. No. 89-1126; *Hahn v. Wong*, 13 USPQ2d 1211 (Bd. Pat. App. & Int.), *aff'd*, 892 F.2d 1028, 13 USPQ2d 1313 (Fed. Cir. 1989); *Perkins v. Kwon*, 886 F.2d 325, 12 USPQ2d 1308 (Fed. Cir. 1989); and *Winkler v. Guglielmino*, Fed. Cir. No. 89-1571. See also *Copelands' Enterprises, Inc. v. CNV, Inc.*, 887 F.2d 1065, 12 USPQ2d 1562 (Fed. Cir. 1989) (en banc) and *Kellogg Co. v. Pack'em Enterprises, Inc.*, Fed. Cir. No. 90-1336.

Table 1
Disposition of cases in the Courts of Appeals
in which the Solicitor has appeared
October 1985 through September 1990

	Pat	TM	Total
Disposed cases:			
Affirmed	300	47	347
Modified	10	0	10
Reversed	47	17	64
Remanded ²	40	8	48
Dismissed	120	26	146
Amicus/intervene	7	2	9
Examiner testimony	1	0	1
Transfer	6 ³	0	6
Mandamus granted	0	0	0
	Pat	TM	Total
Mandamus granted-in-Part	1	0	1
Mandamus denied	6	2	8
Mandamus dismissed	3	0	3
Totals:	541	102	643

A.

An appellant may argue that a certain feature of a claim is not shown in the prior art. Such an argument may prompt us to determine whether the feature is known. If we find the feature, we will probably ask for a remand for the purpose of making an additional rejection.⁴ In like manner, based on our respective backgrounds or other cases handled by the Office of the Solicitor, we may know of prior art which strengthens a rejection.⁵

B.

Similarly, an appellant may argue that a certain fact is true. Upon looking into the matter, we have found literature from the appellant's assignee or other evidence which, in our opinion, demonstrates that the argument may not be factually correct.⁶ Since the literature or other evidence is not part of the record, we have asked for a remand so that the case may be fully developed before a merits panel is required to consider the case. We have also filed a brief on the merits asking the Federal Circuit to take judicial notice of a fact while concurrently filing a contingent motion to remand in the event the merits panel believes that judicial notice is not appropriate.⁷

C.

We have had cases where the sole issue is whether a Rule 131, 37 CFR § 1.131, affidavit is sufficient to antedate a reference. When the sufficiency of a Rule 131 affidavit is in issue, we search for a foreign or other equivalent statutory bar. When an equivalent statutory bar is found, we move to remand suggesting that the issue on appeal may well be moot.⁸

D.

In *re Steele*, 305 F.2d 859, 134 USPQ 292 (CCPA 1962), suggests that indefiniteness should be taken care of prior to considering obviousness. There have been cases in which the claims are so indefinite that judicial review of an obviousness issue simply would not make sense. Remands, over appellant's objection, have been ordered.⁹

² Approximately 80% of the remands were ordered based on motions to remand filed by the Office of the Solicitor. See the discussion on remands, *infra*.

³ All transfers were from a regional court of appeals to the Federal Circuit.

⁴ In *re Yashuhara*, Fed. Cir. No. 85-889. The reference added on remand was relied upon by the Federal Circuit in a later decision affirming the rejection made on remand. In *re Yashuhara*, Fed. Cir. No. 86-1634. See also In *re Merz*, Fed. Cir. No. 86-615, and *R. D. Werner Co. v. Quigg*, Civil Action No. 85-0945 (D.D.C.).

⁵ See e.g., In *re Trogan*, Fed. Cir. No. 85-2724, *Flexiwatt v. Quigg*, Civil Action No. 86-2666 (D.D.C.), In *re Nilssen*, Fed. Cir. No. 87-1349, In *re Nilssen*, Fed. Cir. No. 87-1392, and *Hepar Chimie v. Mossinghoff*, Civil Action No. 85-1912 (D.D.C.).

⁶ In *re Weitz*, Fed. Cir. No. 85-879; In *re Lowrance Electronics, Inc.*, Fed. Cir. No. 88-1180.

⁷ In *re Klang*, Fed. Cir. No. 85-2825.

⁸ In *re Lockner*, Fed. Cir. No. 86-1269.

⁹ In *re Jacobs*, Fed. Cir. No. 85-2210.

E.

There have been occasions where the Board, TTAB, or the Commissioner decides to change or reconsider a decision. A change of decision can occur, *inter alia*, due to:

1. new "law" as announced in a court or administrative decision,¹⁰ or
2. a deciding official or tribunal determines that:
 - (a) a decision may not be correct,
 - (b) a matter was overlooked,¹¹ or
 - (c) a decision otherwise needs to be reconsidered.¹²

F.

There have been cases where, although not argued by the appellant, it did not make sense to apply existing law in a particular context. We have moved to remand. In one instance, the Board reconsidered its position, established new law, and granted relief.¹³

G.

In its opinion, the Board — without entering a new ground of rejection under Rule 196(b), 37 CFR § 1.196 — may suggest that if there is to be further prosecution, an examiner may wish to look into several possible rejections. Generally in such a case the appellant will abandon or refile under 35 U.S.C. § 120. On occasion, however, an appellant will seek judicial review. Ordinarily, we seek remands in such a case in order to avoid piecemeal judicial review.¹⁴

H.

We had one case in which an appellant "dropped" an appeal as to all but a dependent claim — only the independent claim had been discussed in appellant's brief to the Board and the Board discussed only the independent claim. We sought a remand — after the appellant's brief had been filed — so that PTO could articulate a rationale as to the sole claim left in the appeal.¹⁵ Alternatively, we could have argued the appeal on the basis of the independent claim. However, in the context of the particular case, that alternative did not make sense.

I.

We had a case where the application on appeal was deemed to be abandoned. We moved to remand to clarify the status of the application.¹⁶ We also had a trademark appeal in which registration in the United States could not occur until registration took place abroad.¹⁷ Obviously, there was no reason to proceed in the Federal Circuit until registration occurred in the foreign country. When an appeal is taken in a trademark case, we always check to be sure that the registration relied upon is "alive." Appellant also should be sure that the registration has not expired. In one trademark appeal, the likelihood of confusion issue became moot on appeal when we discovered that the registration cited against the appellant expired without being renewed.

Most attorneys representing appellants will agree to a remand when approached by an attorney in the Office of the Solicitor — regardless of the time a suggestion to remand is made. A remand saves appellant, the Federal Circuit and our office time and money and in the long run contributes to the effective administration of justice within PTO and the Federal Circuit. In some cases, our motions to remand have been opposed. In one published opinion, an opposed motion was granted

¹⁰ In *re Eastin*, Fed. Cir. No. 90-1439.

¹¹ In *re Giordano*, Fed. Cir. No. 87-1029; In *re Raleigh Stores Corp.*, Fed. Cir. No. 87-1183; In *re Whaleco*, Fed. Cir. No. 87-1522.

¹² In *re Brown*, Fed. Cir. No. 86-617; *Groz v. Quigg*, Civil Action No. 87-1340 (D.D.C.); *London Laboratories v. Commissioner*, Civil Action No. 86-0914 (D.D.C.); *Hashimoto v. Quigg*, Civil Action No. 86-1595 (D.D.C.); and *Katrapat AG v. Quigg*, Civil Action No. 87-0250 (D.D.C.).

¹³ *Papst-Motoren GmbH & Co. v. Quigg*, Civil Action No. 86-1168 (D.D.C.). The Board's decision on remand is published. *Ex Parte Papst-Motoren*, 1 USPQ2d 1655 (Bd. Pat. App. & Int. 1986).

¹⁴ See *Tofe v. Winchell*, 645 F.2d 58, 63 [headnote 6], 209 USPQ 379, 384 (CCPA 1981). See also *Paradis v. Quigg*, Civil Action No. 87-1486 (D.D.C.) and *Clough v. Quigg*, Civil Action No. 87-2304 (D.D.C.).

¹⁵ In *re Hyatt*, Fed. Cir. No. 85-2224.

¹⁶ In *re Goodman*, Fed. Cir. No. 87-1056. The Commissioner's decision reviving the application is reported. In *re Goodman*, 3 USPQ2d 1866 (Comm'r Pat. 1987). See also In *re Greven*, Fed. Cir. No. 87-2341.

¹⁷ In *re Matsushita Electric*, Fed. Cir. No. 89-1526.

(29)

notwithstanding appellant has filed its principal brief;¹⁸ in another opinion, relief was denied.¹⁹ It appears the Federal Circuit has adopted, as a general rule, the latter opinion. *See* Fed. Cir. R. 27(c).

We will not attempt to reconcile Fed. Cir. R. 27(c) with what we regard to be the better policy expressed in *In re Gould*. We will point out, however, that if an appeal proceeds in the face of a motion to remand,

(a) an appellant will have to spend money to have its attorney appear for oral argument,

(b) the merits panel will have to spend time preparing for oral argument, holding oral argument, and writing an opinion,

(c) PTO will have to expend resources preparing for and presenting oral argument, and

(d) prosecution on the merits may be reopened after a mandate is entered if a viable rejection remains to be considered.

It is possible, of course, that we might prevail on the merits, thereby obviating any need for a remand. However, if we do not prevail, PTO can — and often does — reopen prosecution of the application upon entry of the Federal Circuit's mandate to consider the matter raised by a motion to remand.²⁰

Sometimes an appellant will decide to file a second application, i.e., a continuation application or another trademark application, and simultaneously pursue the appeal. We believe appellant has a responsibility to call our attention to the fact that a second application has been filed. Knowledge of the second application is material to steps we might take.

First, perhaps any appeal (or civil action) should be suspended pending outcome of proceedings on the second application or dismissed without prejudice to another appeal in the event a final adverse Board decision is entered in the second application. In effect, by filing a second application, appellant admits that there are available administrative remedies and that those remedies have not been exhausted.

Second, it is in PTO's best interest that the examiner handling the second application be aware of the existence of an appeal. The examiner may ask our office for assistance, as may the Board, during prosecution of the second application.

III. Notice of appeal

Recent amendments have been made to conform PTO practice as much as possible to Fed. R. App. 4. *See* 54 Fed. Reg. 29548 (July 13, 1989), *reprinted in*, 1105 Off. Gaz. Pat. Office 5 (Aug. 1, 1989).

A. Time for appeal

If an appeal from a PTO decision to the Federal Circuit is authorized by law, the time for filing a notice of appeal in PTO was changed in August 1989 to two (2) months or 60 days, whichever is longer. The time for seeking judicial review by civil action under 35 U.S.C. §§ 145 or 146 is also two (2) months or 60 days, whichever is longer.

The filing of a request for reconsideration in PTO tolls the time for filing a notice of appeal. After a decision on reconsideration is entered in PTO, the two month period begins to run.

The time for appeal to the Federal Circuit is set by the Commissioner. 35 U.S.C. § 142; 15 U.S.C. § 1071(a)(2). The period for appeal must be at least 60 days. A notice of final rule was effective in August 1989 setting the time for appeal to two months or 60 days — whichever is longer. The dichotomy which used to exist between the 60-day period for initial decisions and the 30-day period for decisions on reconsideration²¹ no longer exists.

¹⁸ *In re Gould*, 673 F.2d 1385, 213 USPQ 628 (CCPA 1982). Relief in this case was ultimately granted in PTO. *Ex parte Gould*, 6 USPQ2d 1680 (Bd. Pat. App. & Int. 1987).

¹⁹ *In re Hester*, 838 F.2d 1193, 5 USPQ2d 1832 (Fed. Cir. 1988). Relief on the merits was ultimately granted by the Federal Circuit in an unpublished opinion.

²⁰ *In re Ruschig*, 379 F.2d 990, 154 USPQ 118 (CCPA 1967); *In re Fisher*, 448 F.2d 1406, 171 USPQ 292 (CCPA 1971).

²¹ 37 CFR § 1.304(a) (1989); 37 CFR § 2.145(d) (1989).

B. Cross appeals

In *inter partes* cases, a cross-appeal may be filed within fourteen (14) days of service of an appeal or two months after the PTO decision being appealed, whichever is later.

C. Requests to extend time to appeal

A request for an extension of time to file a notice of appeal before the appeal period expires can be granted by the Commissioner upon a showing of good cause.

A request after the appeal period expires must establish excusable neglect. The "excusable neglect" standard applied by PTO is the same as that applied by the courts of appeals.

All requests for an extension of time to appeal should be directed to the attention of the Office of the Solicitor.

D. Where to file a notice of appeal

The original notice must be filed in PTO — filing only in the Federal Circuit does not perfect an appeal. However, a copy must also be filed in the Federal Circuit. Fed. Cir. R. 15. A copy of the decision being appealed, and any decision on reconsideration, should be attached to the copy of the notice of appeal filed in PTO and with the Federal Circuit.

The original notice may be filed in any of the following ways:

1. By hand-delivery to the Office of the Solicitor between 8:30 a.m. and 5:00 p.m. at:
Office of the Solicitor
2121 Crystal Drive
Suite 918
Arlington, Virginia
2. By first-class mail addressed to:
Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor
3. By Express Mail under 37 CFR § 1.10 addressed to:
Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

A certificate of mailing under 37 CFR § 1.8 cannot be used to file a notice of appeal. A notice of appeal filed in PTO using a certificate of mailing under 37 CFR § 1.8 is deemed filed when received in PTO. *In re Thrifty Corp.*, 231 USPQ 560 (Comm'r Pat. 1986).

A notice of appeal mailed to the Solicitor's Postal Box in Arlington, Virginia is deemed filed when received in the Office of the Solicitor.

E. Content of notice of appeal

A notice of appeal should identify all parties appealing. Fed. R. App. P. 15(a). *See* *Torres v. Oakland Scavenger Co.*, 487 U.S. 312, 317 (1988) [construing similar requirement of Fed. R. App. P. 3(c)].

Thus, in a case where there are joint inventors, the notice of appeal should identify all inventors. The notice of appeal should not identify John Doe et al. as appellants; rather, it should identify as appellants all named inventors, i.e., "John Doe and Richard Roe appeal . . ."

A notice of appeal need simply state that:

John Doe and Richard Roe appeal to the U.S. Court of Appeals for the Federal Circuit from a final decision entered by the Board of Patent Appeals and Interferences on June 15, 1990, and from a decision on reconsideration entered by the Board on July 15, 1990.

There is no need to give reasons in the notice of appeal. *See* 37 CFR §§ 1.4 and 1.5 for material which should appear in the "heading" of the notice of appeal.

IV. Transmittal of certified list

After a notice of appeal is received, a determination is made whether the notice was timely filed.

Appellant will be advised if the appeal is untimely. Fed. Cir. R. 15(b)(1) governs proceedings when a notice of appeal is not timely filed:

If the Commissioner notifies the clerk that the notice of appeal was not timely, the clerk shall order the appellant to show cause why the appeal should not be dismissed, and thereupon refer the response to the court.

In order to properly respond to the Federal Circuit, an appellant may wish to file a request for an extension of time, which should be filed in the Office of the Solicitor, and establish that the untimely filing of the notice of appeal was a result of excusable neglect. Any decision on the request will be copied to the Clerk of the Federal Circuit for such action as may be appropriate. A decision by the Commissioner *granting* a request to extend the time for filing the notice of appeal will discharge the show cause order entered by the Clerk.

A certified list, consisting of the contents of the application, interference, opposition, cancellation, or other proceeding is copied and forwarded to the Federal Circuit with a statement indicating whether the notice of appeal was considered timely filed. In *ex parte* patent appeals the certified list usually does not include the contents to any "parent" applications unless the application involved in the appeal is a "file wrapper continuation" under 37 CFR § 1.62.

A copy of the certified list is mailed to the appellant or, in the case of an *inter partes* proceeding, all parties.

In *ex parte* patent or trademark appeals, an attorney in the Office of the Solicitor is assigned to the appeal at the time the certified list is forwarded to the Federal Circuit. Counsel for appellant should initiate a discussion with the Solicitor's Office attorney assigned to the case to determine the contents of the appendix.

Upon receipt of the certified list, the appeal will be docketed by the Federal Circuit. An appeal number is assigned to each appeal by the Federal Circuit. Appellant's 60-day period for filing a brief runs from the later of the date the appeal is docketed by the Federal Circuit or the certified list is served. Fed. Cir. R. 31(a). Since the appeal is docketed after the certified list is served in the case of PTO appeals, the 60-day period almost always runs from the date the appeal is docketed.

V. Service of court papers on the Solicitor

The mail service address for the Solicitor is:

Office of the Solicitor
P. O. Box 15667
Arlington, Virginia 22215

Only litigation papers should be mailed to the Post Office box address. Other papers intended for filing in PTO should be addressed as specified in 37 CFR § 1.1. Non-litigation papers will be *returned* and will *not* be forwarded to the Mail Room.

Litigation papers not served by hand must be mailed to our Post Office box. Litigation papers mailed or delivered to the Mail Room of PTO, left in PTO's night deposit box, or left with a PTO employee in an office other than the Office of the Solicitor, are deemed served when *received* in the Office of the Solicitor.

The Office of the Solicitor is open from 8:30 a.m. to 5:00 p.m. Litigation papers served by hand must be delivered between 8:30 a.m. and 5:00 p.m. to:

Office of the Solicitor
2121 Crystal Drive
Suite 918
Arlington, Virginia

Unless permitted by court rules or order, delivery does *not* include facsimile transmission.

VI. Motions

Motions are inevitable in Federal Circuit and other court practice. Before a motion is filed, appellant should contact the Solicitor's Office to see if there is agreement on the requested relief and the *proposed order*. If there is no opposition to a procedural order, it can be entered by the Clerk, thereby obtaining prompt relief and obviating the need for a judge or motions panel to consider the matter.

VII. Appendix

A. Designation

The Office of the Solicitor typically designates the following items for inclusion in the appendix in addition to the mandatory items specified in Fed. Cir. R. 30.

In *ex parte* patent cases, we generally designate:

- (1) the specification;
- (2) any drawings;
- (3) the prior art supporting the rejection;
- (4) the final rejection and any Office action referenced in the final rejection;
- (5) the examiner's answer; and
- (6) any evidence submitted to support patentability.

In *ex parte* trademark cases, we generally designate:

- (1) the trademark application, including the drawing;
- (2) specimens;
- (3) the trademark examining attorney's statement; and
- (4) registrations supporting the refusal and any other evidence relied upon by the examining attorney the TTAB.

It should be noted that Fed. Cir. R. 30(a)(2)(iii) prohibits the inclusion of briefs filed by an applicant in PTO without leave of the court. However, the examiner's answer and examining attorney's statement may be designated and included without leave. Fed. Cir. R. 30(a)(2).

While the items in the appendix differ from case to case, a typical appendix in an *ex parte* patent appeal contains the following items in the following order:

- (1) table of contents;
- (2) the initial decision of the Board;
- (3) any decision on reconsideration;
- (4) a copy of the certified list, which corresponds to the docket entries mentioned in Fed. R. App. P. 29(a)(1) ;
- (5) the specification;
- (6) the final rejection;
- (7) the examiner's answer;
- (8) any prior art relied upon by PTO;
- (9) any rebuttal evidence, e.g., affidavits under Rule 131, 37 CFR § 1.131, or Rule 132, 37 CFR § 1.132; and
- (10) a copy of the rejected claims.

With respect to the last item, Fed. Cir. R. 30(a)(3) provides:

In appeals from . . . [PTO], the appendix shall, unless the parties mutually agree to the contrary, include a copy of all rejected claims in an *ex parte* patent appeal, a copy of all counts in a patent interference appeal, and both a copy of the trademark sought to be registered or cancelled and a copy of any registration relied upon to refuse or oppose registration or to seek cancellation of a registered mark in an *ex parte* or an *inter partes* trademark appeal

If the material designated as the appendix exceeds 100 pages, a draft copy of the appendix, with page numbers, should be sent to the Office of the Solicitor. Upon receipt, if we see any problem with the appendix, including any failure to comply with Federal Circuit rules, we promptly advise appellant. Preparation of a draft appendix will also insure that all briefs properly refer to pages of the appendix.

B. Page numbering

Fed. Cir. R. 30(c)(2) requires that page numbers be centered in the bottom margin of each page and that other pagination marks be redacted if necessary to avoid confusion. Numbering the appendix pages with a format such as "0001" generally avoids confusion with other page numbers.

If the designated appendix is less than 100 pages (which should be copied on both the front and back), the appendix is bound with appellant's principal brief. If the designated appendix is more than 100 pages, the appendix is filed separately within seven (7) days of the date the last reply brief is filed. Fed. Cir. R. 30(a)(4).

C. Legible materials

An appendix will often contain copies of materials which are illegible. In cases where counsel for an appellant does not have legible copies of materials which are available in PTO, contact the Office of the Solicitor and we will arrange to send a legible copy.

Handwritten notes in the margin of counsel's copy of Office actions should be removed. The proper place to argue a case is in a brief — not in notes in the margin.

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VIII. Briefs

A. Statement of the facts

Fed. R. App. P. 28(a)(3) requires that an appellant file a statement of facts relevant to the issues presented for review. Fed. Cir. R. 28(b) provides that the appellee's statement of the case should be limited to the specific areas of disagreement with those of the appellant. Absent disagreement the appellee shall not include a statement of the case in his brief. *Id.* In our view these rules place the responsibility to provide a complete and neutral statement of facts on the appellant. Appellant should remember that it *lost* below. Hence, the "facts" are not those the appellant would like them to be; rather, the "facts" are those found by the Board. The statement of the facts in a brief is not the place to *argue* that the Board was clearly erroneous in making a finding of fact.

In our experience, appellants' statement of the facts invariably include argument; fail to describe all the facts relevant to the issues; state the facts in a light most favorable to appellant despite contrary findings below; or state conclusions — often without citation to the appendix. As a result, we typically find it necessary to include a detailed and, we believe, a complete and neutral statement of facts — with full citations to the appendix.

We particularly note that when "new" counsel is retained to handle the Federal Circuit appeal, the arguments on appeal often bear no resemblance to the arguments made to the Board. As a matter of logic, it would seem that the Board could not possibly have erred below on the basis of an argument made for the first time in the Federal Circuit. See *Keebler Co. v. Murray Bakery Products*, 866 F.2d 1386, 9 USPQ2d 1736 (Fed. Cir. 1989) (since Keebler failed to tell the TTAB it was interested in Murray's "intent," it could not use intent as a basis for showing "error" by the TTAB; *prescience* is not a required characteristic of the board and the board need not divine all possible afterthoughts of counsel that might be asserted for the first time on appeal).

B. References in brief to the appendix

All factual assertions made in the brief should be supported with citation to the appendix. How the Federal Circuit is supposed to know that an assertion is correct, when no reference is made to the appendix in support of the assertion, is something we have not been able to figure out. The Federal Circuit has often noted, with apparent disapproval, the absence of a citation to the appendix in support of a party's position.²² Failure to cite to the appendix may affect an attorney's credibility before the Federal Circuit and diminish the impact of otherwise meritorious arguments. If counsel feels that it is necessary to make factual assertions and cannot point to the specific portion of the appendix supporting the assertion, consideration should be given to refiling the application. Argument which depends on factual assertions not supported by the record cannot have any relevance to any error in the decision under review.

Moreover, to the extent that we have influence within PTO to bring about a favorable result by way of settlement, we need to be convinced. Allegations, not supported by references to the appendix, are not likely to convince any attorney in the Office of the Solicitor of the merits of an appellant's position.

IX. Oral argument

A. When we appear

An attorney from the Solicitor's Office will appear and present argument in cases in which the appellant intends to present oral argument. We will submit on the briefs only (1) where appellant submits on brief and (2) no reply brief has been filed or we conclude that the reply brief does not require comment at the oral hearing. On the other hand, if a reply brief raises a substantial issue, particularly a "new" issue, we will appear even if appellant waives oral argument.

B. Discussing the [alleged] error

An appellant has a burden of showing that the Board erred in its decision.²³ Factual findings below must be shown to be

clearly erroneous,²⁴ while legal conclusions are reviewed for correctness or error as a matter of law.²⁵ Having only a short time for oral hearing, typically fifteen minutes, appellants should direct their remarks to the purported errors in the Board's decision. Based upon the 60 to 80 cases we argue annually, we can assure appellants that Federal Circuit merits panels are familiar with the record and the proceedings under review. Counsel may not want to use part of the 15 minutes normally allocated for oral argument by:

- (1) explaining that the case is an appeal from the Patent and Trademark Office (the merits panel already knows that because the briefs have been read),
- (2) identifying the appellant or assignee (because it is essentially irrelevant),
- (3) reviewing the facts of the case, etc.

However, counsel should be thoroughly familiar with the record and be prepared to identify the portions which support their arguments.

We suggest oral argument by an appellant should start by saying "The error below was . . ." and here's why.

C. Visual aides

Fed. Cir. R. 34(c) encourages the use of visual aids. If the visual aid was not used during the administrative proceeding, written notice of the proposed use must be given at least 15 days prior to the hearing. Any written objections must be filed at least 5 days before the hearing. The rule also provides that counsel may agree on the use of visual aids.

Whether or not we will agree depends on the particular facts. We ordinarily do not disagree with enlargements ("blow-ups") of portions of the record. Where the proposed visual aid is not part of the record, we will not agree until we have had an opportunity to see the visual aid.

X. Petitions for rehearing

Petitions for rehearing can be useful if properly used. But, in our experience, petitions for rehearing filed by appellants simply reargue the case. We do not believe this is a proper function of a petition for rehearing.

Generally we will file a petition for rehearing only when (a) we believe the merits panel has made a genuine mistake — not merely a "judgment" call which happens to differ from our judgment, or (b) even where the result is correct, an opinion contains language which we believe will seriously and adversely affect PTO's ability to properly and effectively administer the patent or trademark laws. See *Markey*, "Semantic Antics in Patent Cases," 88 F.R.D. 103, 108 (1980) (suggesting rehearing should be requested to modify opinion language which confuses the law of patents).

We suggest, and do not believe, that there is such a thing as a "routine" petition for rehearing. A truly extraordinary situation must exist before a petition for rehearing can be deemed proper.²⁶ The Office of the Solicitor has been relatively successful with petitions for rehearing. In a 20-year period before the CCPA and Federal Circuit, we can recall filing approximately 12 petitions for rehearing. Some form of relief has been granted in nine, i.e., claims found patentable in the original decision were found unpatentable on rehearing,²⁷ language was changed in the opinion,²⁸ relief was granted in part,²⁹ etc.

XI. Issuance of mandates/termination of proceedings

As provided in Fed. R. App. P. 41(a), the Court's mandate usually issues 21 days after the entry of its decision. A request

²⁴ *Stock Pot Restaurant v. Stockpot, Inc.*, 737 F.2d 1576, 1578, 222 USPQ 665, 667 (Fed. Cir. 1984) (findings of fact of the TTAB are reviewed under the clearly erroneous standard); *In re Caveney*, 761 F.2d 671, 674, 225 USPQ 1, 3 (Fed. Cir. 1985) (findings of fact by the Board of Patent Appeals and Interferences are reviewed under the clearly erroneous standard).

²⁵ *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

²⁶ In the case of a suggestion for rehearing en banc, we obtain approval from the Solicitor General.

²⁷ *In re Tiffin*, 448 F.2d 791, 171 USPQ 294 (CCPA 1971).

²⁸ *Parks v. Fine*, 773 F.2d 1577, 227 USPQ 432 (Fed. Cir. 1985), opinion amended, 783 F.2d 1036, 228 USPQ 677 (Fed. Cir. 1986).

²⁹ *Newman v. Quigg*, 877 F.2d 1575, 11 USPQ2d 1340 (Fed. Cir. 1992), reh'g on costs granted in part, 886 F.2d 329 (Fed. Cir. 1989).

²² See e.g., *Datascope Corp. v. SMEC, Inc.*, 879 F.2d 820, 827, 11 USPQ2d 1321, 1325 (Fed. Cir. 1989), cert. denied, 110 S.Ct. 729 (1990).

²³ *In re Durden*, 763 F.2d 1406, 1409, 226 USPQ 359, 361 (Fed. Cir. 1985) (The burden is on appellant to persuade the court that the Board was wrong).

for rehearing stays the mandate until seven days after an order by the merits panel denying rehearing. Unless there are allowable claims or the Court's decision requires further proceedings by the Office, the receipt of the mandate by PTO "terminates the proceedings" for purposes of continuity under 35 U.S.C. § 120. 37 CFR § 1.197(c), 54 Fed. Reg. 29548, 29552 (July 13, 1989) *reprinted in*, 1105 Off. Gaz. Pat. Office 5, 9 (Aug. 1, 1989). If an appellant contemplates filing a "continuing" application, it should be filed prior to the receipt of the mandate by PTO to preserve the benefit of the filing date of the parent application. Proceedings terminate on receipt of the mandate, *not* upon the expiration of the period for applying for certiorari to the Supreme Court.³⁰

XII. Costs

In *ex parte* patent and trademark appeals from PTO, costs are not awarded for or against the Commissioner. See Fed. Cir. Practice Note to Fed. Cir. R. 39.³¹ Hence, we do not file bills of costs in *ex parte* cases.

[1120 OG 23]

(30) Filing of Certain Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmission

Effective Nov. 1, 1988, certain papers to be filed in national patent applications and reexamination proceedings for consideration by the Office of the Assistant Commissioner for Patents, the Office of the Deputy Assistant Commissioner for Patents, and the Patent Examining Groups (Patent Examining Corps) may be submitted to the Patent and Trademark Office (PTO) by facsimile transmission.

The provision of 37 CFR 1.33(a), requiring signatures on amendments and other papers filed in applications, is hereby waived to the extent that a facsimile signature is acceptable. The paper that is used as the original for the facsimile transmission must have an original signature, and should be retained by applicant or the representative as evidence of the content of the facsimile transmission. No special format, addressing information or written ratification is required for facsimile transmissions. However, the paper size must be 8 1/2" by 14" or smaller to be accepted.

A facsimile center has been established in the Patent Examining Corps to receive and process submissions. The filing date accorded the submission will be the date the complete transmission is received by the PTO facsimile unit unless that date is a Saturday, Sunday or Federal holiday within the District of Columbia, in which case the official date of receipt will be the next business day.

Each transmission session must be limited to papers to be filed in a single national patent application or reexamination proceeding. It is recommended that the Serial Number of the application or Control Number of the reexamination be entered as a part of the sender's identification, if possible. It is also recommended that the sending facsimile machine generate a report confirming transmission for each transmission session. The transmitting activity report should be retained along with the paper used as the original.

³⁰ *In re Jones*, 542 F.2d 65, 69, 191 USPQ 249, 252 (CCPA 1976) (when PTO receives CCPA mandate, proceedings in patent application are terminated); *Continental Can Co. v. Schuyler*, 326 F. Supp. 283, 168 USPQ 625 (D.D.C. 1970) (proceedings terminate within meaning of 35 U.S.C. § 120 when mandate of CCPA was issued). See also *In re Willis*, 537 F.2d 513, 515, 190 USPQ 327, 329 (CCPA 1976). Once a mandate is issued, it is our experience that a motion to withdraw the mandate to secure "copendency" with a continuation will not be granted. *In re Iwashita*, Fed. Cir. No. 90-1162, *In re Nakahama*, Fed. Cir. No. 90-1166, and *In re Nakahama*, Fed. Cir. No. 90-1187.

³¹ See also *In re Kochan*, Fed. Cir. No. 83-502 (May 25, 1983); *In re Lobdell*, Fed. Cir. No. 83-674 (Sept. 22, 1983); *In re Piasecki*, Fed. Cir. No. 84-775 (Nov. 9, 1984); *In re Shivers*, Fed. Cir. No. 85-1544 (Dec. 19, 1985); *In re Wrenn*, Fed. Cir. No. 86-743 (July 17, 1986); and *In re Dow Chemical*, Fed. Cir. No. 87-1406 (Feb. 11, 1988).

The papers, including authorizations to charge deposit accounts, which may be submitted using this procedure, are limited to those which may be filed in national patent applications and reexamination proceedings and which are to be considered by the PTO organizations named above. Examples of such papers are amendments, responses to restriction requirements, request for reconsideration before the examiner, petitions, terminal disclaimers, powers of attorney, notices of appeal and appeal briefs.

New or continuing patent applications of any type, assignments, issue fee payments, maintenance fee payments, declarations or oaths under 37 CFR 1.63 or 1.67, and formal drawings are excluded, as are all papers relating to international patent applications. Papers to be filed in applications that are subject to a secrecy order under 37 CFR 5.1 - 5.8, and directly related to the secrecy order content of the application, are also excluded. Informal communications between applicant and the examiner, such as proposed claims for interview purposes, are permissible and are encouraged. Informal communications from applicants will not be made of record in the application or reexamination and must be clearly identified as informal such as by including the word "DRAFT" on each paper. To facilitate informal communications from examiners, applicants are encouraged to supply their facsimile phone numbers on communications to the Office.

The facsimile submissions may include a certificate for each paper stating the date of transmission. A copy of the facsimile submission with a certificate attached thereto will be evidence of transmission of the paper should the original be misplaced. The person signing the certificate should have a reasonable basis to expect that the paper would be facsimile transmitted on the date indicated. An example of a preferred certificate is:

Certification of Facsimile Transmission

I hereby certify that this paper is being facsimile transmitted to the Patent and Trademark Office on the date shown below.

Type or print name of person signing certification _____

Signature _____ Date _____

When possible, the certification should appear on a portion of the paper being transmitted. If the certification is presented on a separate paper, it must identify the application to which it relates, and the type of paper being transmitted; e.g. amendment, notice of appeal, etc.

In the event that the facsimile submission is misplaced or lost in the PTO, the submission will be considered filed as of the date of the transmission, if the party who transmitted the paper:

- (1) Informs the PTO of the previous facsimile transmission promptly after becoming aware that the submission has been misplaced or lost;
- (2) Supplies another copy of the previously transmitted submission with the Certification of Transmission; and
- (3) Supplies a copy of the sending unit's report confirming transmission of the submission. In the event that a copy of the report is not available, the party who transmitted the paper may file a declaration under 37 CFR 1.68 which attests on a personal knowledge basis or to the satisfaction of the Commissioner to the previous timely transmission.

If all criteria above cannot be met, the PTO will require applicant to submit a verified showing of facts. Such a showing must show to the satisfaction of the Commissioner the date the PTO received the submission.

The facsimile center will have five facsimile units and will be staffed during the business hours of 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding holidays. Although the units may normally be accessed at all times, including non-business hours, there may be times when reception is not possible due to equipment failure or maintenance requirements. Accordingly, applicants are cautioned not to rely on the availability of this service at the end of response periods.

The telephone number for accessing the facsimile machines is (703) 557-9564. In the event that the transmission cannot be accepted at the telephone number above, a backup number has

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been established at (703) 557-9567. The facsimile center staff can be reached at telephone number (703) 557-4277 during normal business hours.

Oct. 19, 1988
DONALD J. QUIGG,
*Assistant Secretary and
Commissioner for Patents
and Trademarks*

[1096 OG 30]

(31) Filing of Certain Papers with the Board of Patent Appeals and Interferences by Facsimile Transmission

A facsimile machine has recently been installed at the Board of Patent Appeals and Interferences (Board). Accordingly, a party who wishes to file papers in a patent application or reexamination proceeding in which an appeal is pending and which is located at the Board may do so via the Board's facsimile machine, the telephone number of which is (703)557-8642. Normally, the file of a patent application or reexamination proceeding in which an appeal is pending is forwarded to the Board approximately six weeks after the examiner's answer has been mailed.

Certain papers in interference proceedings may also be filed via the Board's facsimile machine, for example, motions, briefs, designations of lead attorney, etc. The following are *excluded*: transcripts of depositions or of interrogatories, cross-interrogatories or recorded answers; preliminary statements; exhibits; and evidentiary records under 37 CFR 1.653.

All papers filed with the Board by facsimile transmission are subject to the provisions, requirements and exclusions stated in the Commissioner's Notice of October 19, 1988 (1096 O.G. 30, Nov. 15, 1988), entitled "Filing of Certain Papers and Authorization to Charge Deposit Accounts by Facsimile Transmission."

October 17, 1989
SAUL I. SEROTA
*Chairman
Board of Patent Appeals and Interferences*
[1108 OG 15]

**(32) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1, 2 and 3
[Docket No. 910246-2140]
RIN 0651-AA43**

Changes in Patent and Trademark Assignment Practice

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.
Summary: The Patent and Trademark Office (Office) is amending the rules of practice regarding assignments in patent and trademark cases to improve and clarify the rules, to codify changes in practice and to consolidate the rules. The Office has combined the assignment rules currently in Parts 1 and 2 into a new Part 3 directed to assignments.
Effective Date: Sept. 4, 1992. These rules will be applicable to all documents filed with the Office on or after the effective date.
For Further Information Contact: Trademark related matters: Lynne Beresford by telephone at (703) 305-9464 or by mail marked to her attention addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231. Patent related matters: Jeffrey V. Nase by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Box DAC, Washington, D.C. 20231.
Supplementary Information: In a Notice of Proposed Rulemaking published in the Federal Register on May 10, 1991 at 56 FR 21641 and in the Patent and Trademark Office "Official Gazette" of June 4, 1991 at 1127 O.G. 8-16, the Office proposed to amend the rules of practice in patent and trademark cases to revise,

simplify, remove, or clarify existing assignment rules or to codify certain practices currently in effect. Changes were proposed for rules relating to the documents that will be recorded, to the requirements for recording a document, to the effect of recording, to new cover sheet requirements, to the appointment of domestic representatives; and to prosecution by assignees and issuance to assignees. While the existing rules do not require a cover sheet to accompany each document submitted for recording, typically a cover letter is submitted to ensure proper processing of the document.

The Office has encouraged the public to use a cover letter containing specific information concerning the document being submitted with each document submitted for recording. See "Helpful Hints", 1114 *Official Gazette* 77 (May 29, 1990). The public has adopted the suggested procedure to such an extent that most documents now submitted for recordation are accompanied by a cover letter which contains the suggested data. Documents submitted with these cover letters have enabled the Office to greatly improve the quality and efficiency of the recording process. To better ensure that the correct data is captured in recordation and recorded promptly, the Office is making a cover sheet mandatory. The cover sheet will contain all the information necessary for the Assignment Branch to properly and promptly process the document.

Written comments were submitted by 12 firms, 2 individuals, 4 corporations and 1 organization. No one testified at the oral hearing held on July 17, 1991.

The following includes a brief discussion of the rules being changed and the reasons for those changes, a detailed section-by-section analysis of the final rules, and an analysis of the comments received in response to the notice of proposed rulemaking.

Specific Rules to be Deleted or Added: The existing rules of practice in Parts 1 and 2 of Title 37 of the Code of Federal Regulations which are deleted are §§ 1.32, 1.331, 1.332, 1.333, 1.334, 2.185, 2.186 and 2.187. These rules are deleted in their entirety and rewritten and renumbered under a new Part 3. Table 1 is provided to assist readers in correlating previous rules with the new rules.

TABLE 1

Old Section	New Section
1.32	3.71 & 3.73
1.331(a)	3.11
1.331(b)	3.26
1.331(c)	3.21
1.332	3.51
1.333	3.56
1.334	3.81
2.185(a)	3.11
2.185(a)(1)	3.31
2.185(a)(2)	3.26
2.185(a)(3)	3.41
2.185(a)(4)	3.61
2.185(b)	3.31(b)
2.185(C)	3.51
2.186	3.71 & 3.73
2.187	3.85

Consideration was given to moving § 1.12 (Assignment records open to public inspection.) to Part 3. However, since this section primarily relates to records maintained by the Office and procedures for accessing those records, and no comments were received regarding the placement of § 1.12, this section remains under the general heading "Records and Files" of the Patent and Trademark Office.

Discussion of Specific Rules to be Changed or Added: Section 1.12(a) is revised to reflect the fact that all assignment records related to pre-1955 trademark records and pre-1957 patent records were transferred to the National Archives and Records Administration (NARA) during 1990. All assignments recorded on or after January 1, 1955, for trademarks and May 1, 1957, for patents continue to be maintained by the Office. The pre-1955/1957 records have been transferred to NARA to allow for greater accessibility to the public, improvement of file integrity for the older records, and preservation of these materials. The pre-1955/1957 assignment cards, digest books, and libers were stored in four locations: the Assignment Search Room (ASR) at the

Office, the Federal Records Center in Suitland, Maryland, the National Archives in downtown Washington, D.C., and the National Archives location in Alexandria, Virginia. Storage of information in these various locations made searching of old assignment records difficult. The materials located at the Federal Records Center could be ordered from the ASR. However, many times it took months to receive the materials.

All assignment records from 1837 to December 31, 1954, for trademarks and from 1837 to April 30, 1957, for patents are now maintained and are open for public inspection in the National Archives Research Room located at the Washington National Records Center Building, 4205 Suitland Road, Suitland, Maryland 20746. Assignments recorded before 1837 are maintained at the National Archives and Records Administration, 841 South Pickett Street, Alexandria, Virginia 22304.

All requests for abstracts of title continue to be provided by the Office upon request and payment of fees set forth in §§ 1.19 and 2.6. Requests for copies and certified copies of the pre-1955 records for trademarks and pre-1957 records for patents should be directed to NARA since those records are not maintained by the Office. Since these records are maintained by NARA, it is more expeditious to request copies directly from NARA, rather than the Office, which would then have to route the requests to NARA. Payment of the fees required by NARA should accompany all requests for copies.

Another change makes clear that separate assignment records are kept for patents and trademarks, and that an extra charge will be imposed by the Office on requests for copies of recorded assignments if the correct reel and frame number are not identified.

Sections 1.17 and 1.46 are amended to make reference to § 3.81, which replaces § 1.334, and delete reference to § 1.334. The amount of the fee for recording a document is not affected by this rule change.

Section 1.104(e) is amended to make reference to Part 3, which replaces § 1.331, and delete reference to § 1.331.

Section 3.1 is added to set out definitions of terms used in Part 3. Terms which are defined include "application," "assignment," "document," "Office" (meaning Patent and Trademark Office), "recorded document," and "registration." Definitions are provided to make clear the intended meanings of the terms used in Part 3. These definitions are intended to be applicable only to Part 3. For example, the term "application" is defined, for the purpose of Part 3, to mean a national application for patent, an international application for patent that designates the United States of America, or an application to register a trademark, unless otherwise indicated.

Section 3.11 replaces and modifies the practice set forth in §§ 1.331(a) and 2.185(a), which specify the documents the Office will record. This section specifies that assignments of patents and registrations will be recorded, as well as other documents which affect title to applications, registrations and patents. Section 3.11 requires that a completed cover sheet as specified in §§ 3.28 and 3.31 be submitted with the document to be recorded.

Section 3.16 is added to incorporate the limitation set out in 15 U.S.C. § 1060 proscribing the assignment of an intent-to-use trademark application prior to the filing of a statement of use, except as a part of the sale of an on-going business. Because the rules in Part 3 are intended to address all rules relating to assignments, it is appropriate to refer to the statutory requirements of an assignment of an intent-to-use trademark application.

Section 3.21 replaces and modifies the practice of § 1.331(c). Section 3.21 sets forth requirements for the identification of patents or patent applications in documents submitted for recording. An assignment relating to a patent must identify the patent by number. The name of the inventor, the issue date, and title of the invention as stated in the patent may also be given in the assignment to provide additional information on the patent being assigned. An assignment relating to a national patent application must identify the national patent application by application number (consisting of the series code and the serial number, e.g., 07/123,456) or serial number and filing date. An assignment relating to an international patent application which designates the United States of America must identify the international application number (e.g., PCT/US90/01234). The name of the inventor, date of filing, and title of the invention as stated in the patent application may also be given in the assignment. If an assignment is executed concurrently with, or subsequent to,

the execution of the patent application, but before the patent application is filed, it must identify the patent application by its date of execution, name of each inventor, and title of the invention so that there can be no mistake as to the patent application intended. Assignments submitted for recording that do not identify the patent or patent application as required by this section will not be recorded, but will be returned to the correspondence address that is required to be provided on the cover sheet by § 3.31(e).

Section 3.24 is added to set out formal document requirements to facilitate and expedite the recording process. This section requires that documents, either the original or a true copy of the original, submitted for recording be legible, using only one side of each page. The paper used should be flexible, white, durable, and preferably no larger than 21.6 x 33.1 cm. (8 x 14 inches), with a 2.5 cm. (one-inch) margin on all sides. Documents submitted in this form are camera-ready and can be recorded expeditiously with little additional handling required. Documents that fail to meet the legibility and single-sided paper requirements of this section will be returned as set forth in § 3.51.

Section 3.26 replaces and modifies the practice of §§ 1.331(b) and 2.185(a)(2). Section 3.26 provides that the Office will accept and record non-English documents provided they are accompanied by a verified English translation signed by the translator. Documents submitted that fail to meet the requirements of this section will be returned as set forth in § 3.51.

Section 3.27 is added to set out how documents submitted for recording should be addressed to the Office. To ensure prompt and proper processing, documents and their cover sheets should be addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231, unless they are filed together with new applications or with a petition under § 3.81(b). Petitions under § 3.81(b) should be addressed to the Commissioner of Patents and Trademarks, Box DAC, Washington, D.C. 20231. New applications and other petitions should be addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Section 3.28 is added to set out the requirement that all documents submitted to the Office for recording be accompanied by at least one cover sheet referring either to the patent applications and patents or to the trademark applications and registrations against which the document is to be recorded. Only one set of documents and cover sheets to be recorded should be filed. If a document to be recorded includes interests in, or transactions involving, both patents and trademarks, separate patent and trademark cover sheets must be submitted. If a document to be recorded is not accompanied by a completed cover sheet, the document and any incomplete cover sheet will be returned to the correspondence address for proper completion of the cover sheet and resubmission of the cover sheet and document. While the previous rules did not require a cover sheet to accompany each document submitted for recording, typically a cover letter is submitted to ensure proper processing of the document. The Office is making a cover sheet mandatory in order to better ensure prompt and proper processing of all documents submitted for recording. The cover sheet contains all the information necessary for the Office to process the document.

Section 3.31 is added to set out the formal requirements of the cover sheet. Section 3.31 requires that each patent or trademark cover sheet must contain (1) the name of the party conveying the interest; (2) the name and address of the party receiving the interest; (3) a brief description of the interest conveyed or transaction to be recorded (e.g., assignment, license, change of name, merger, security agreement, etc.); (4) each application number, patent number or registration number against which the document is to be recorded, or an indication that the document is filed together with a patent application; (5) the name and address of the party to whom correspondence concerning the document to be recorded should be mailed; (6) the number of applications, patents or registrations identified in the cover sheet and the total fee; (7) the date the document was executed; (8) an indication that the assignee of a trademark application or registration who is not domiciled in the United States has designated a domestic representative; (9) a statement by the party submitting the document that to the best of the person's knowledge and belief, the information contained on the cover sheet is true and correct, and (10) the signature of the party submitting the document. The term "party" as used in this rule means the person whose name

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appears on the documents to be recorded, that person's attorney or registered agent, or a corporate officer where a corporation's name appears on the document. Sample cover sheets for patent documents and for trademark documents are shown in Appendices A and B.

Section 3.34 is added to set out the procedure to correct obvious errors in a recorded cover sheet. This section requires that if a recorded cover sheet contains an error that is apparent when the cover sheet is compared with the recorded document, the error will be corrected only if a corrected cover sheet is filed for recordation. The corrected cover sheet must be accompanied by the originally-recorded document or a copy of the originally-recorded document and by a new assignment recording fee in the appropriate amount.

Section 3.41 replaces and consolidates practice under §§ 1.331(a) and 2.185(a)(3) regarding recording fees. Section 3.41 requires that all requests to record documents be accompanied by the appropriate fee. A fee is charged for each application, patent and registration identified in the cover sheet. The recording fee for patents and patent applications is specified in § 1.21(h). The recording fee for trademark registrations and applications is specified in § 2.6(q).

Section 3.51 replaces and modifies the practice of §§ 1.332 and 2.185(c). Section 3.51 sets the date of recording of a document as the date the document meeting the requirements for recording set forth in this Part is filed in the Office. A document which does not comply with the identification requirements of § 3.21 will not be recorded. For documents not accepted for recording, parties can petition under 37 CFR §§ 1.181 and 2.146(a). Other documents not meeting the requirements for recording, for example, a document submitted without a completed cover sheet, without the required fee, or without any required translation, will be returned for correction to the sender when a return address is available. The returned papers, stamped with the official date of receipt in the Office, will be accompanied by a letter indicating that if the returned papers are corrected and resubmitted to the Office within time specified in the letter, the Office will consider the original date of filing of the papers as the date of recording of the papers. Submitters can use the certificate procedure under either § 1.8 or § 1.10 for resubmissions of returned papers if they desire to have the benefit of the date of deposit in the United States Postal Service. If the returned papers are not corrected and resubmitted within the specified period, the date of filing of the corrected papers will be considered to be the date of recording of the papers. Extensions of time will not be available to extend the specified period to resubmit the returned papers.

Section 3.54 is added to set out the effect of recording a document. This section states that the recording of a document is not a determination by the Office of the validity of the document or the effect that document has on the title to an application, a patent, or a registration. The Office will determine, when necessary, what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office. Examples of when the Office will need to determine whether a party has the authority to take an action in a matter pending before the Office include: (1) prosecution by the assignee as in § 3.71; (2) consent of an assignee to the filing of a reissue application as provided in § 1.172; and (3) execution of a disclaimer under § 1.321 by an assignee.

Section 3.56 replaces and modifies the practice of § 1.333. Section 3.56 provides that an assignment, which at the time of its execution is conditional on a given act or event, will be treated by the Office as an absolute assignment. This section serves as notification as to how a conditional assignment will be treated by the Office in any proceeding requiring a determination of the owner of an application, patent or registration. Since the Office will not determine whether a condition has been fulfilled, the Office will treat the submission of such an assignment for recordation as signifying that the act or event has occurred.

Section 3.61 replaces and modifies the practice of § 2.185(a)(4). Section 3.61 sets forth that an assignee of a trademark application or registration not domiciled in the United States must designate a domestic representative in writing to the Office. Assignees of patent applications or patents may designate domestic representatives if the assignee is not residing in the United States. 35 U.S.C. § 293. The designation is required to state the name and address of a person residing within the United States on whom may be served process or notice of proceedings

affecting the application, patent or registration or rights thereunder.

Section 3.71 replaces and modifies the practice of §§ 1.32 and 2.186. Section 3.71 sets forth that the assignee of record of the entire right, title and interest in an application for patent is entitled to conduct the prosecution of the patent application to the exclusion of the named inventor. Similarly, the assignee of an application for registration is entitled to conduct the prosecution of the trademark application to the exclusion of the applicant.

Section 3.73 is added to set out the procedure by which an assignee can establish the right to take action in an application, patent or registration. The inventor is presumed to be the original owner of a patent application and any patent that may issue therefrom, unless there is an assignment. The original applicant is presumed to be the original owner of a trademark application and any registration that may issue therefrom, unless there is an assignment. Any action before the Office with respect to an assigned patent application, patent, or reexamination may be taken by the assignee of the entire right, title, and interest, provided ownership is established to the satisfaction of the Commissioner. The assignee may establish ownership by submitting to the Office documentary evidence of a chain of title from the original owner to the assignee or by specifying (e.g., reel and frame number, etc.) where such evidence is recorded in the Office. Additionally, when a patent assignee is not represented by an attorney or registered agent, a statement signed by the assignee must also be submitted stating the evidence has been reviewed and certifying that, to the best of the party's knowledge and belief, title is in the party seeking to take the action. Documents submitted to establish ownership may be required to be recorded in the Office as a condition to permitting the requesting party to take action in a matter pending before the Office. Any action before the Office with respect to an assigned trademark registration, application or post-registration matter, may be taken by the assignee provided ownership is established to the satisfaction of the Commissioner by recording an assignment to the assignee or by submitting other proof of the assignment.

Section 3.81 replaces and modifies the practice of § 1.334. Section 3.81 sets forth the procedure for issuance of a patent to an assignee. If an assignment of the entire right, title, and interest is recorded before the issue fee is paid for a patent application, the patent may issue in the name of the assignee. If the assignee holds an undivided part interest, the patent may issue jointly to the inventor and the assignee. At the time the issue fee is paid, the name of the assignee must be provided if the patent is to issue solely or jointly to that assignee. If the assignment is submitted for recording after the date of payment of the issue fee, but prior to issuance of the patent, the assignee may petition that the patent issue to the assignee. Any such petition must be accompanied by the fee set forth in § 1.17(i)(1).

Section 3.85 replaces and modifies the practice of § 2.187. Section 3.85 sets forth the procedure for issuance of a registration to an assignee. The certificate of registration may be issued to the assignee of the applicant, or in a new name of the applicant, provided that the party files a written request in the trademark application record by the time the application is being prepared for issuance of the certificate of registration, and an appropriate document is recorded in the Office. If the assignment or name change document has not been recorded in the Office, then the written request must state that the document has been filed for recordation. The address of the assignee must be made of record in the trademark application file.

Response to Comments on the Rules

The comments received in response to the notice of proposed rulemaking have been given careful consideration and a number of the suggested modifications have been adopted. The comments and responses are discussed below.

In this discussion, "Patent and Trademark Office" is abbreviated as "Office" or "PTO."

Comment: Two comments were received addressed to the overall rule package. One comment expressed concern over the potential confusion of instituting a new Part 3. It was suggested that Parts 1 and 2 be amended to contain the necessary changes. Another comment was concerned that the rules and specifically the new cover sheet requirement would impede promptness and accuracy of the recordation process.

Response: The Office has determined that the new rules will result in greater efficiency and accuracy in the recordation process and improve the integrity of the records maintained by the PTO. Further, the PTO believes that a new Part 3, containing all rules relating to assignments, will be beneficial to the majority of patent and trademark system users.

Comment: Section 3.1 was proposed to define "application" as an application for patent or an application to register a trademark. One comment questioned whether international applications filed under the Patent Cooperation Treaty were included in the definition of the word "application."

Two comments were received concerning the definition of "assignment." As proposed, § 3.1 defines "assignment" of a trademark in terms of a "trademark application" or "registration." The comments suggested that because Section 10 of the Trademark Act, 15 U.S.C. § 1060, speaks in terms of a "registered mark" or a "mark for which application to register has been filed," which was reflected in previous trademark rule 2.186, the different terminology may be construed to permit assignment of a trademark without assignment of the underlying goodwill.

Response: The wording of § 3.1 has been changed to include both national applications for patent and international applications that designate the United States in the term "application."

Also to avoid any potential confusion over the definition of a trademark assignment, the Office adopted the suggestion to reflect Section 10 of the Trademark Act and to refer to a "registered mark" or a "mark for which application to register has been filed" in its definition of assignment.

Comment: As proposed, § 3.16 provides that an application to register a mark under 15 U.S.C. § 1051(b) cannot be assigned before a statement of use is filed except to a successor to an ongoing business of the original applicant. One comment suggested § 3.16 be further amended to correct a legislative oversight and permit assignment of the application after an amendment to allege use is filed.

One other comment suggested the PTO define the statutory language "successor to the business of the applicant."

Response: As proposed, Rule 3.16 merely restates the statute. To permit the filing of an assignment to a successor to an ongoing business before an amendment to allege use has been filed would make the rule inconsistent with the statute.

As to the definition of "successor to the business of the applicant," it has been determined that in the absence of any statutory definition, it is better left to case law to establish the meaning. A business, or portion thereof, can be transferred or assigned in a variety of ways, and the question of valid ownership might arise in a variety of circumstances. For the PTO to define what constitutes a successor may be duly restrictive.

Accordingly, the suggested modifications have not been adopted.

Comment: Section 3.21, as proposed, provides that an assignment of a patent or patent application must be identified by number. One comment requested a further amendment to allow the filing of a patent assignment after filing an application for patent but before knowing the application number by allowing identification by the execution date, inventors and title of the invention instead of the application number.

Another comment suggested that assignments relating to trademark applications and registrations should also be required to have the identifying serial and registration numbers within the body of the assignment document.

One comment questioned whether the patent identification number was required in the document or whether the number could just appear on the cover sheet.

Response: Providing the identifying number in the assignment document allows for greater efficiency and accuracy in recording assignments. However, unlike patents, trademarks can have an indefinite life. Assignments may be recorded years after an assignment has occurred to clear up the chain of title. It may not be possible to execute a new assignment to include identifying numbers in the document years later. Accordingly, it is preferable for the PTO to be more flexible in recording trademark assignments which may contain the identifying number in the cover sheet rather than in the document itself. Because of the nature of a patent, less flexibility is permitted. Patent rights, unlike trademark rights, do not exist apart from the issued patent. Accordingly, when an interest in a patent is transferred, the patent identifying number must be in the assignment document.

This requirement only applies to assignments, not to documents other than assignments.

The PTO makes every effort to provide applicants with the application numbers for newly-filed patent applications as soon as possible. It is suggested, however, that assignment documents may be written to allow entry of the identifying number after the execution of the assignment. An example of acceptable wording is: "I hereby authorize and request my attorney, (Insert name), of (Insert address), to insert here in parentheses (Application number _____, filed) the filing date and application number of said application when known."

Accordingly, the suggested modifications have not been adopted.

Comment: Section 3.24, as proposed, provides the formal requirements for the documents which are to be recorded and the cover sheet. Three comments stated that the one-side only requirement was unreasonable in light of PTO's issuance of two-sided patent and trademark copies and of the practices of other governments and corporations over which the submitter would have no control.

One comment requested clarification of "bond weight paper" and suggested the language used in the rules setting out drawing requirements be adopted.

One comment stated that the document size requirements should only pertain to documents prepared and executed by parties who wish to convey title.

Two comments questioned whether the PTO would permit the filing of copies or true copies in lieu of the original documents for recording.

Response: The formal requirements set out in § 3.24 are related to PTO's ability to capture on film papers filed with the PTO. The requirements are not related to the other printing or photocopying services PTO provides. Micrographics reproduction requires that only one side of each page be used for efficiency. If the original document is two-sided or the wrong size, the practitioner can comply with this requirement by providing a true copy of the original document using only one side of each page on the correct size paper. The language in § 3.24 has been changed to clarify that true copies or originals are acceptable. Further, the language describing the type of paper to be used has been changed to be consistent with the drawing requirement rules.

Comment: Section 3.28, as proposed, provides that all requests to record a document must be accompanied by the document to be recorded and at least one cover sheet. One comment expressed confusion over whether the document must be accompanied by a cover letter as well as a request for recording. One comment stated the requirement for a cover sheet did not help the PTO with the documents which are file with applications and the commenter did not see the need for an additional paper included among the papers for a new application.

Response: The first sentence has been rewritten to clarify that only the document and a cover sheet(s) must be submitted. A separate request for recording is not required or needed. Because the cover sheet provides all pertinent information in one place, it will greatly assist the processing of assignments by the PTO. For those applications which are filed with an assignment, the additional cover sheet required for the assignment aids the processing of the assignment.

Comment: Numerous comments were received on the proposed cover sheet requirements of § 3.31. One comment questioned whether the form or the contents of the form are being required and cautioned that the cover sheet should not become a technical obstacle to recordation.

Two comments claimed the cover sheet requirement would be burdensome and the documents recorded should speak for themselves.

Two comments objected to the requirement for the characterization of the interest being conveyed. One of the commentators indicated it was not the best evidence of what the interest is and may be misleading while the second commentator was concerned practitioners would be subject to malpractice claims and be made parties to litigation involving the transfer.

One comment stated that requiring the assignee's address was burdensome and excessive. Three comments questioned the lack of consistency between proposed subsections (a) and (b) of § 3.31 which requires only the name of the conveyor but both the name and address of the receiver.

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Two comments stated that the language of the rule was unclear as to whether the list of properties within the assignment document should be retyped on the cover sheet, which would be burdensome and fraught with potential errors.

One comment was received suggesting that properties be identified with as much information as possible (i.e., serial number, patent number, filing date, inventors, etc.).

Four comments stated that the requirement for an execution date of the document is excessive and burdensome. One of the comments stated that the execution date may not be as important as the effective date of the document. One suggested the effective date would be more accurate and another suggested the document should speak for itself. One additional comment stated that a *nunc pro tunc* assignment of the substantive rights of an assignee or assignor may be unduly affected by the requirement for recitation of the execution date.

Nine comments were received objecting to the language of the proposed verification. Some comments recommended that the verification statement be deleted. Other comments recommended that the verification statement be based on "information and belief." The comments indicated (1) practitioners did not want to be held responsible for the information entered on the cover sheet, (2) there was no purpose served by signing the cover sheet because the documents should speak for themselves and (3) under 37 C.F.R. § 10.18, a registered practitioner's signature indicates that the filing is correct.

One comment suggested that proposed § 3.31(i) does not recognize the right of some non-lawyers to practice in trademark matters before the PTO.

Additionally, many comments and suggestions were received on the layout of the sample cover sheets.

Response: The proposed purpose of the cover sheet is to provide a synopsis of the vital information contained in a recorded document. The cover sheet form itself is not required, only the information outlined in § 3.31 is required. Use of the sample cover sheet formats appearing as Appendices A and B to the rule package is encouraged. The Office will make paper copies of the sample cover sheets available for customer use. Persons wishing to obtain paper copies of the sample cover sheets should contact the Public Service Center at (703) 305-HELP. Questions regarding the sample cover sheets should be directed to the Assignment and Certification Services Division at (703) 308-9700.

As indicated in the proposed rule package, a majority of documents presently filed for recording are accompanied by a cover letter containing much of the information required in § 3.31. The PTO does not believe standardization of the information submitted is an undue burden. Standardization ensures easy reference to all critical information. Further, the parties or their representatives are in a better position to know or ascertain the nature of the interest involved than the PTO. The document will always speak for itself. However, a characterization assists in putting others on notice as to the nature of the transaction.

It was determined that a verification is not required. The language has been changed to a statement on the cover sheet based on "information and belief." Further, § 3.31(i) has been divided into two paragraphs, one for the statement that is required and one for the signature.

The address of the assignee or receiving party is vital information for maintaining complete assignment records. The original owner is the applicant, for which the Office has the address of record. Each subsequent assignee address is then obtained under this requirement and is of record if the PTO or public needs to contact the present assignee. The execution date is required to determine whether an assignment has been recorded within three months provided in 35 U.S.C. § 261 and 15 U.S.C. § 1060.

When there is a listing of properties contained within a document, any listing may be copied and attached to the cover sheet to reduce the amount of typing necessary. A notation of this attachment can be made in lieu of entering every property identification number on the cover sheet. Should submitters provide information in addition to that required by § 3.31, it is always welcome, but not required.

The comments received on the layout of the sample cover sheets have all been considered and some modifications have been made. However, the sample cover sheet is not required and it is not part of the rules.

Comment: Section 3.34, as proposed, provides for correction of errors in a recorded cover sheet when the error is apparent by

comparing the information on the cover sheet with the recorded document itself. One comment received expressed confusion regarding the correction procedure. Another comment suggested that corrections should not be limited to apparent errors.

Response: The PTO will not compare the cover sheet with the original documents during the recording process except to assure that application and patent numbers are present in patent assignments. Otherwise, it will only check to see that the cover sheet is complete. When a submitter discovers an obvious error on the recorded cover sheet, the PTO will consider a request to correct it when it receives: (1) the original recorded document (or a copy); (2) a corrected cover sheet; and (3) the appropriate fee for each property to be corrected. The PTO will then compare the cover sheet with the document to determine whether the error is apparent on its face. If the error is obvious, the corrected cover sheet will be recorded and the respective Office records corrected. If the error is not obvious, the procedure set forth in the Manual of Patent Examining Procedure, MPEP § 323 will govern for patents and the procedure set forth in *In re Abacab International Computers Ltd.* (Assignee of IHEC, Ltd.), 21 USPQ2d 1078 (Comm'r Pats. 1987), on reconsideration, 21 USPQ2d 1079 (Comm'r Pats. 1988) will govern for trademarks. Submitters may also petition under § 1.833 or § 2.146 for other corrections. Typographical errors made by the Office will be corrected without charge when brought to our attention.

Accordingly, the suggested modification has not been adopted. The rule has only been changed to correct a cross reference.

Comment: As proposed, § 3.51 provides that the date of recording is the date all of the required information is filed in the Office. Incomplete documents will be returned. If the returned documents are resubmitted timely, the document will retain the date on which it was received as incomplete. Two comments were received regarding the time period to be set by the PTO. One comment indicated that any delay may affect the requirements of 15 U.S.C. § 1060. It was therefore recommended that the PTO make some type of "conditional entry" in the records indicating an assignment has been submitted so interested members of the public could ascertain that there may be an effective recording date. The other comment suggested the time period for resubmission be long enough to allow communication with foreign parties, but it should be no longer than six months.

Response: After a review of the proposed rule, it was determined that the language of § 3.51 should be clarified to reflect that the originally-submitted papers with the official Office date stamp indicating the original receipt date in the Office must be returned in order to retain the original date. It is the intent of the PTO to set the time for response at one month from the date of mailing of the returned documents from the PTO. It is believed that most correctable errors will involve an incomplete cover sheet or the amount of the fee submitted, both of which can be corrected within one month.

Further, it is the policy of the PTO to make of record only those documents which meet the requirements for recording. It is not beneficial to cloud title to properties with potential transfers.

Comment: Section 3.56, as proposed, is a restatement of former § 1.333 and is made applicable to trademarks. It provides that an assignment which is made conditional upon a condition subsequent will be regarded by the Office as an absolute assignment. One comment was received inquiring as to whether § 3.56 applied to security interests, another was received requesting a reference in the rules to recording of security agreements.

Response: Section 3.56 is applicable only to assignments, as they are defined by § 3.1, that is, a transfer of right, title and interest in a patent or a trademark. A security interest or a security agreement is in the nature of a lien, not an assignment. Accordingly, § 3.56 would not apply to security interests or security agreements which are also recordable. It applies to conditional assignments because the Office has no way of determining whether and when conditions are satisfied and therefore must address this type of assignment in a uniform manner. The reference to the recordability of security agreements is referred to here in the final rule package.

Comment: The second sentence of § 3.71, as proposed, provides: "[t]he assignee of record of the entire right title and interest in a trademark application or registration is entitled to conduct the prosecution of the trademark application or registration to the exclusion of the original applicant or previous assignee." One comment suggested, as had been recommended for

the definitions in § 3.1, that language be adopted consistent with Section 10 of the Trademark Act, 15 U.S.C. § 1060, so there be no confusion as to what can be assigned in the trademark area and further, that the language requiring "entire right, title and interest" be deleted.

Response: As was the case with the PTO's review of § 3.1, the language in § 3.71 has also been modified to eliminate any confusion. Accordingly, § 3.71 now provides for assignments of registered marks or a mark for which an application for registration has been filed, making it consistent with § 3.1. While this change cannot prevent assignments from being made without the underlying goodwill, it may eliminate some confusion.

Comment: Section 3.73, as proposed, provided that a full assignee could take any action before the Office with respect to the assigned application, patent, or registration provide ownership is established to the satisfaction of the Commissioner. The rule further provided that ownership could be established by providing documentary evidence of the chain of title to the assignee. The assignee was also required to submit a verified statement stating the evidence had been reviewed and certifying to the best of the party's belief, title is in the party seeking to take the action. The Office reserved the right to require recordation of any ownership documents. One comment suggested the procedure was too "elaborate" and "confusing" to permit the submitting party to act rapidly. Another comment suggested the Office use the language of former § 2.186 which only required "the assignment has been recorded or that proof of the assignment has been submitted" to enable action by the assignee.

Another comment suggested that a simple statement identifying the documents thought to place ownership in a party should be sufficient. It was believed that no additional benefit accrued by having the party state that they believed they were entitled to take the action because whether or not a party can act is a determination the PTO must make.

Two comments suggested that a literal reading of the rule would require every paper filed on behalf of an assignee be accompanied by a proof of ownership. One comment suggested it was too harsh to preclude a party from taking action in a trademark matter until proof of ownership is established to the satisfaction of the Commissioner. Rather, it was suggested that a party be permitted to take action once documents establishing ownership are filed.

One comment received pointed to the proposed language of § 3.73 providing the statement must be signed by the party or its attorney or agent of record which was a greater requirement than § 1.34(a), if that was intended.

Another comment suggested that the proposed language be changed by deleting the provision that ownership must be established to the satisfaction of the Commissioner and substituting therefore "provided the assignee is owner of the entire right, title, and interest in the patent application, patent, registered mark or mark for which an application for registration has been filed."

One final comment suggested that § 3.73 be changed to specifically set forth that it applied to secure Office acceptance of a Section 8 or 15 affidavit or a Section 9 application, 15 U.S.C. §§ 1058, 1059, for trademark filings, and requested examples of the types of documents necessary to establish ownership.

Response: Ownership need only be established the first time the new party wants to act in patent and trademark cases, provided the appropriate documents are recorded. Section 3.73(b) is modified to provide that a statement of ownership need only be provided when a patent assignee wishes to act on a matter. For patents, the PTO believes it is appropriate for the patent assignee to review the documents it believes establishes its ownership prior to filing a paper signed by that assignee. Additionally, the statement will certify that to the best of the assignee's knowledge and belief, title is in that assignee. This will establish, to the satisfaction of the Commissioner, that the assignee knows of no other document establishing title in someone other than the assignee. The PTO will still make the determination of whether the assignee is entitled to take action after a review of the documents.

For trademarks the action sought to be taken can be submitted simultaneously by the party. The action will be examined as will the claim of ownership and the party will be notified whether it is satisfactory. As in the past, "any action" refers to post-registration documents as well.

Other Considerations

The rule changes are in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these changes is to require that a cover sheet accompany each document submitted for recording. The rule change includes no additional or increased fees. Substantive rights to use trademarks and patents are not adversely affected.

The Office has determined that these rule changes are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. Because most of the changes reduce procedural burdens, there will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

These rule changes contain a collection-of-information requirement subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. The rule changes add a requirement for a cover sheet to be submitted with each document to be recorded that will expedite the recording process and improve quality. This collection of information requirement is cleared under OMB Control No. 0651-0011. The public reporting burden for this requirement is estimated to be *one-half* hour per filing, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collections of information.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirement.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

37 CFR Part 3

Administrative practice and procedure, Inventions and patents, Trademarks, Reporting and recordkeeping requirement.

For the reasons set out in the preamble and pursuant to the authority contained in 15 U.S.C. 1123 and 35 U.S.C. 6, parts 1, 2 and 3 of title 37 of the Code of Federal Regulations are amended as set forth below.

PART I - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.12 paragraphs (a) and (d) are revised to read as follows:

§ 1.12 Assignment records open to public inspection.

(a) (1) Separate assignment records are maintained in the Patent and Trademark Office for patents and trademarks. The assignment records, relating to original or reissue patents, in-

(32)

cluding digests and indexes, for assignments recorded on or after May 1, 1957, and assignment records relating to pending or abandoned trademark applications and to trademark registrations, for assignments recorded on or after January 1, 1955, are open to public inspection at the Patent and Trademark Office, and copies of those assignment records may be obtained upon request and payment of the fee set forth in §§ 1.19 and 2.6 of this Chapter.

(2) All records of assignments of patents recorded before May 1, 1957, and all records of trademark assignments recorded before January 1, 1955, are maintained by the National Archives and Records Administration (NARA). The records are open to public inspection. Certified and uncertified copies of those assignment records are provided by NARA upon request and payment of the fees required by NARA.

(d) An order for a copy of an assignment or other document should identify the reel and frame number where the assignment or document is recorded. If a document is identified without specifying its correct reel and frame, an extra charge as set forth in § 1.21(j) will be made for the time consumed in making a search for such assignment.

3. Section 1.17 is amended by revising paragraph (i)(1) to read as follows:

§ 1.17 Patent application processing fees.

(i)(1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$130.00

§ 1.12 — for access to an assignment record.

§ 1.14 — for access to an application.

§ 1.53 — to accord a filing date.

§ 1.55 — for entry of late priority papers.

§ 1.60 — to accord a filing date.

§ 1.62 — to accord a filing date.

§ 1.103 — to suspend action in application.

§ 1.177 — for divisional reissues to issues separately.

§ 1.312 — for amendment after payment of issue fee.

§ 1.313 — to withdraw an application from issue.

§ 1.314 — to defer issuance of a patent.

§ 1.666(b) — for access to interference settlement agreement.

§ 3.81 — for patent to issue to assignee, assignment submitted after payment of the issue fee.

4. Section 1.32 is removed and reserved.

1.32 [Reserved]

5. Section 1.46 is revised to read as follows:

§ 1.46 Assigned inventions and patents.

In case the whole or a part interest in the invention or in the patent to be issued is assigned, the application must still be made or authorized to be made, and an oath or declaration signed, by the inventor or one of the persons mentioned in §§ 1.42, 1.43, or 1.47. However, the patent may be issued to the assignee or jointly to the inventor and the assignee as provided in § 3.81.

6. Section 1.104 is amended by revising paragraph (e) to read as follows:

§ 1.104 Nature of examination; examiner's action.

(e) Co-pending applications will be considered by the examiner to be owned by, or subject to an obligation of assignment to, the same person if:

(1) the application files refer to assignments recorded in the Patent and Trademark Office in accordance with Part 3 of this chapter which convey the entire rights in the applications to the same person or organization; or

(2) copies of unrecorded assignments which convey the entire rights in the applications to the same person or organization are filed in each of the applications; or

(3) an affidavit or declaration by the common owner is filed which states that there is common ownership and states facts which explain why the affiant or declarant believes there is common ownership; or

(4) other evidence is submitted which establishes common ownership of the applications.

In circumstances where the common owner is a corporation or other organization, an affidavit or declaration may be signed by an official of the corporation or organization empowered to act on behalf of the corporation or organization.

7. The undesignated center head above § 1.331 is revised to read as follows:

Arbitration Awards

8. Sections 1.331 through 1.334 are removed and reserved.

§ 1.331-1.334 [Reserved]

Part 2—RULES OF PRACTICE IN TRADEMARK CASES

9. The authority citation for 37 CFR Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

10. The undesignated center head § 2.185 is removed.

11. Sections 2.185 through 2.187 are removed and reserved.

§ 2.185-2.187 [Reserved]

12. Part 3 is added to read as follows:

Part 3—ASSIGNMENT, RECORDING AND RIGHTS OF ASSIGNEE

Sec.

3.1 Definitions

DOCUMENTS ELIGIBLE FOR RECORDING

3.11 Documents which will be recorded.

3.16 Assignability of trademarks prior to filing of use statements.

REQUIREMENTS FOR RECORDING

3.21 Identification of patents and patent applications.

3.24 Formal requirements for documents and cover sheets.

3.26 English language requirement.

3.27 Mailing address for submitting documents to be recorded.

3.28 Requests for recording.

COVER SHEET REQUIREMENTS

3.31 Cover sheet content.

3.34 Correction of cover sheet errors.

FEEES

3.41 Recording fees.

DATE AND EFFECT OF RECORDING

3.51 Recording date.

3.54 Effect of recording.

3.56 Conditional assignments.

DOMESTIC REPRESENTATIVE**3.61 Domestic representative.****PROSECUTION BY ASSIGNEE****3.71 Prosecution by assignee.****3.73 Establishing right of assignee to prosecute.****ISSUANCE TO ASSIGNEE****3.81 Issue of patent to assignee.****3.85 Issue of registration to assignee.**

Authority: 15 U.S.C. 1123; 35 U.S.C. 6.

§ 3.1 Definitions.

For purposes of this part, the following definitions shall apply:

Application means a national application for patent, an international application that designates the United States of America, or an application to register a trademark unless otherwise indicated.

Assignment means a transfer by a party of all or part of its right, title and interest in a patent or patent application, or a transfer of its entire right, title and interest in a registered mark or a mark for which an application to register has been filed.

Document means a document which a party requests to be recorded in the Office pursuant to § 3.11 and which affects some interest in an application, patent, or registration.

Office means the Patent and Trademark Office.

Recorded document means a document which has been recorded in the Office pursuant to § 3.11.

Registration means a trademark registration issued by the Office.

DOCUMENTS ELIGIBLE FOR RECORDING**§ 3.11 Documents which will be recorded.**

Assignments of applications, patents, and registrations, accompanied by completed cover sheets as specified in §§ 3.28 and 3.31, will be recorded in the Office. Other documents, accompanied by completed cover sheets as specified in §§ 3.28 and 3.31, affecting title to applications, patents, or registrations, will be recorded as provided in this Part or at the discretion of the Commissioner.

§ 3.16 Assignability of trademark prior to filing of use statement.

No application to register a mark under 15 U.S.C. 1051(b) is assignable prior to the filing of the verified statement of use under 15 U.S.C. 1051(d) except to a successor to the business of the applicant, or portion thereof, to which the mark pertains, if that business is ongoing and existing.

REQUIREMENTS FOR RECORDING**§ 3.21 Identification of patents and patent applications.**

An assignment relating to a patent must identify the patent by the patent number. An assignment relating to a national patent application must identify the national patent application by the application number (consisting of the series code and the serial number, e.g., 07/123,456) or the serial number and filing date. An assignment relating to an international patent application which designates the United States of America must identify the international application by the international application number (e.g., PCT/US90/01234). If an assignment is executed concurrently with, or subsequent to, the execution of the patent application, but before the patent application is filed, it must

identify the patent application by its date of execution, name of each inventor, and title of the invention so that there can be no mistake as to the patent application intended.

§ 3.24 Formal requirements for documents and cover sheets.

The document and cover sheet must be legible. Either the original document or a true copy of the original document, may be submitted for recording. Only one side of each page shall be used. The paper used should be flexible, strong, white, non-shiny, durable, and preferably no larger than 21.6 x 33.1 cm. (8 1/4 x 14 inches) with a 2.5 cm. (one-inch) margin on all sides.

§ 3.26 English language requirement.

The Office will accept and record non-English language documents only if accompanied by a verified English translation signed by the individual making the translation.

§ 3.27 Mailing address for submitting documents to be recorded.

Documents and cover sheets to be recorded should be addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231, unless they are filed together with new applications or with a petition under § 3.81(b).

§ 3.28 Requests for recording.

Each document submitted to the Office for recording must be accompanied by at least one cover sheet as specified in § 3.31 referring either to those patent applications and patents, or to those trademark applications and registrations, against which the document is to be recorded. If a document to be recorded includes interests in, or transactions involving, both patents and trademarks, separate patent and trademark cover sheets must be submitted. Only one set of documents and cover sheets to be recorded should be filed. If a document to be recorded is not accompanied by a completed cover sheet, the document and any incomplete cover sheet will be returned pursuant to § 3.51 for proper completion of a cover sheet and resubmission of the document and a completed cover sheet.

COVER SHEET REQUIREMENTS**§ 3.31 Cover sheet content.**

(a) Each patent or trademark cover sheet required by § 3.28 must contain:

- (1) the name of the party conveying the interest;
- (2) the name and address of the party receiving the interest;
- (3) a description of the interest conveyed or transaction to be recorded;
- (4) each application number, patent number or registration number against which the document is to be recorded, or an indication that the document is filed together with a patent application;
- (5) the name and address of the party to whom correspondence concerning the request to record the document should be mailed;
- (6) the number of applications, patents or registrations identified in the cover sheet and the total fee;
- (7) the date the document was executed;
- (8) an indication that the assignee of a trademark application or registration who is not domiciled in the United States has designated a domestic representative (see § 3.61); and
- (9) a statement by the party submitting the document that to the best of the person's knowledge and belief, the information contained on the cover sheet is true and correct and any copy submitted is a true copy of the original document; and
- (10) the signature of the party submitting the document.

(b) A cover sheet may not refer to both patents and trademarks.

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§ 3.34 Correction of cover sheet errors.

(a) An error in a cover sheet recorded pursuant to 3.11 will be corrected only if:

- (1) the error is apparent when the cover sheet is compared with the recorded document to which it pertains and
- (2) a corrected cover sheet is filed for recordation.

(b) The corrected cover sheet must be accompanied by the originally recorded document or a copy of the originally recorded document and by the recording fee as set forth in § 3.41.

FEES**§ 3.41 Recording fees.**

All requests to record documents must be accompanied by the appropriate fee. A fee is required for each application, patent and registration against which the document is recorded as identified in the cover sheet. The recording fee is set in § 1.21(h) of this Chapter for patents and in § 2.6(q) of this Chapter for trademarks.

DATE AND EFFECT OF RECORDING**§ 3.51 Recording date.**

The date of recording of a document is the date the document meeting the requirements for recording set forth in this Part is filed in the Office. A document which does not comply with the identification requirements of § 3.21 will not be recorded. Documents not meeting the other requirements for recording, for example, a document submitted without a completed cover sheet or without the required fee, will be returned for correction to the sender where a correspondence address is available. The returned papers, stamped with the original date of receipt by the Office, will be accompanied by a letter which will indicate that if the returned papers are corrected and resubmitted to the Office within the time specified in the letter, the Office will consider the original date of filing of the papers as the date of recording of the document. The certification procedure under either § 1.8 or § 1.10 of this Chapter may be used for resubmissions of returned papers to have the benefit of the date of deposit in the United States Postal Service. If the returned papers are not corrected and resubmitted within the specified period, the date of filing of the corrected papers will be considered to be the date of recording of the document. The specified period to resubmit the returned papers will not be extended.

§ 3.54 Effect of recording.

The recording of a document pursuant to § 3.11 is not a determination by the Office of the validity of the document or the effect that document has on the title to an application, a patent, or a registration. When necessary, the Office will determine what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office.

§ 3.56 Conditional assignments.

Assignments which are made conditional on the performance of certain acts or events, such as the payment of money or other condition subsequent, if recorded in the Office, are regarded as absolute assignments for Office purposes until cancelled with the written consent of all parties or by the decree of a court of competent jurisdiction. The Office does not determine whether such conditions have been fulfilled.

DOMESTIC REPRESENTATIVE**§ 3.61 Domestic representative.**

If the assignee of a trademark application or registration is not domiciled in the United States, the assignee must designate, in writing to the Office, a domestic representative. An assignee of a patent application or patent may designate a domestic representative if the assignee is not residing in the United States. The designation shall state the name and address of a person residing within the United States on whom may be served process or

notice of proceedings affecting the application, patent or registration or rights thereunder.

PROSECUTION BY ASSIGNEE**§ 3.71 Prosecution by assignee.**

The assignee of record of the entire right, title and interest in an application for patent is entitled to conduct the prosecution of the patent application to the exclusion of the named inventor or previous assignee. The assignee of a registered trademark or a trademark for which an application to register has been filed is entitled to conduct the prosecution of the trademark application or registration to the exclusion of the original applicant or previous assignee.

§ 3.73 Establishing right of assignee to prosecute.

(a) The inventor is presumed to be the owner of a patent application, and any patent that may issue therefrom, unless there is an assignment. The original applicant is presumed to be the owner of a trademark application unless there is an assignment.

(b) When the assignee of the entire right, title and interest seeks to take action in a matter before the Office with respect to a patent application, trademark application, patent, registration, or reexamination proceeding, the assignee must establish its ownership of the property to the satisfaction of the Commissioner. Ownership is established by submitting to the Office documentary evidence of a chain of title from the original owner to the assignee or by specifying (e.g. reel and frame number, etc.) where such evidence is recorded in the Office. Documents submitted to establish ownership may be required to be recorded as a condition to permitting the assignee to take action in a matter pending before the Office. In addition, the assignee of a patent application or patent must submit a statement specifying that the evidentiary documents have been reviewed and certifying that, to the best of assignee's knowledge and belief, title is in the assignee seeking to take the action.

ISSUANCE TO ASSIGNEE**§ 3.81 Issue of patent to assignee.**

(a) For a patent application, if an assignment of the entire right, title, and interest is recorded before the issue fee is paid, the patent may issue in the name of the assignee. If the assignee holds an undivided part interest, the patent may issue jointly to the inventor and the assignee. At the time the issue fee is paid, the name of the assignee must be provided if the patent is to issue solely or jointly to that assignee.

(b) If the assignment is submitted for recording after the date of payment of the issue fee, but prior to issuance of the patent, the assignee may petition that the patent issue to the assignee. Any such petition must be accompanied by the fee set forth in § 1.17(i)(1) of this Chapter.

§ 3.85 Issue of registration to assignee.

The certificate of registration may be issued to the assignee of the applicant, or in a new name of the applicant, provided that the party files a written request in the trademark application by the time the application is being prepared for issuance of the certificate of registration, and the appropriate document is recorded in the Office. If the assignment or name change document has not been recorded in the Office, then the written request must state that the document has been filed for recordation. The address of the assignee must be made of record in the application file.

June 24, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and
Acting Commissioner of Patents
and Trademarks

[1140 OG 53]

(33) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Parts 1, 2 & 3

[Docket No. 910246-2140]
 RIN 0651-AA43

Changes in Patent and Trademark Assignment Practice

Agency: Patent and Trademark Office, Commerce

Action: Final Rule; correction.

Summary: The Patent and Trademark Office (Office) amended the rules of practice regarding assignments in patent and trademark cases to improve and clarify the rules, to codify changes in practice and to consolidate the rules into a new Part 3 directed to assignments. In the final assignment rules a fee change promulgated in January 1992 was inadvertently omitted from the §1.17(i)(1) listing.

Effective Date: September 4, 1992.

For Further Information Contact: Jeffery V. Nase by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Box DAC, Washington, D.C. 20231.

Supplementary Information: The amended assignment rules first appeared in a notice of proposed rulemaking published in the *Federal Register* on May 10, 1991, at 56 FR 21641, and the Patent and Trademark Office *Official Gazette* of June 4, 1991, at 1127 OG 8-16. The final rules appeared in the *Federal Register* on July 6, 1992, at 57 FR 29634. Between the time the proposed and final rules were published, 37 CFR §1.97(d) was amended, effective March 16, 1992, by a final rule which appeared in the *Federal Register* of January 17, 1992, 57 FR 2021, relating to the duty of disclosure. The amendment provided for a new petition fee which was referenced in 37 CFR § 1.17, patent application processing fees. The reproduction of §1.17 in the final assignment rule package neglected to add the reference to the new petition under § 1.97(d).

Section 1.17(i)(1) is reproduced in its entirety to include the reference to §1.97(d) which was inadvertently omitted. The amount of the fee for considering an information disclosure statement is not affected by this rule change.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents.

For the reasons set out in the preamble and pursuant to the authority contained in 35 U.S.C. 6, part 1 of title 37 of the Code of Federal Regulations has been amended as set forth below.

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.17 is amended by revising paragraph (i)(1) to read as follows:

§1.17 Patent application processing fees.

(i)(1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$130.00

§1.12 - for access to an assignment record.

§1.14 - for access to an application.

§1.53 - to accord a filing date.

§1.55 - for entry of late priority papers.

§1.60 - to accord a filing date.

§1.62 - to accord a filing date.

§1.97(d) - to consider an information disclosure statement.

§1.103 - to suspend action in application.

§1.177 - for divisional reissues to issue separately.

§1.312 - for amendment after payment of issue fee.

§1.313 - to withdraw an application from issue.

§1.314 - to defer issuance of a patent.

§1.666(b) - for access to interference settlement agreement.

§3.81 - for patent to issue to assignee, assignment submitted after payment of the issue fee.

July 17, 1992

DOUGLAS B. COMER
*Assistant Secretary & Acting
 Commissioner of Patents
 and Trademarks*

[1141 OG 38]

(34) **Submission of Uniform Assignee Names
 on the Issue Fee Payment Form PTOL-85b**

The Patent and Trademark Office is experiencing problems when computer-sorting assignee names for the Patentee Index because of the non-uniform use of the names of certain companies and corporations on the issue fee payment form PTOL-85b. The use of different spellings or nomenclature for the same company requires the Office to expend time and effort to determine whether the various name forms are in fact for the same company. If such inconsistencies are not corrected, patents to the same company will appear in different locations in the Patentee Index. An example of inconsistent use is "ABC Company, Ltd." and "ABC Co., Limited."

Therefore, persons who list assignee names on issue fee payment form PTOL-85b should ensure that the same company name form is used for all patents issuing to a particular company.

RICHARD J. SHAKMAN,
*Assistant Commissioner
 for Administration.*

Nov. 17, 1977.

[965 O.G. 8]

(35) **Recordability of Foreclosures
 for Assignment Purposes**

It has been the practice of the Assignment Branch to record security agreements between a secured party and a debtor which refer specifically to a patent or a patent application and which are signed by the debtor. However, foreclosures by the secured party were not recorded because they were not signed by the debtor. Accordingly, before recording a foreclosure not signed by a debtor, the Assignment Branch required a Court order. This requirement forced the secured party to bring action in a court of law where otherwise Court action might not have been necessary.

To facilitate recording of foreclosures not signed by a debtor and avoid unnecessary court proceedings, the Office will record foreclosures which comply with all of the following criteria:

- (1) Submission of the foreclosure document with original endorsement by the secured party, or a verified copy thereof;
- (2) Identification of the patent by patent number or the patent application by serial number, or other acceptable identifier(s) as specified in 37 CFR 1.331(c), in the body of the foreclosure document itself or any addenda incorporated by reference;
- (3) Reference to the security agreement recorded under 37 CFR 1.331; and
- (4) Submission of a verified statement by a representative of the secured party stating that the patent or the patent

(36)

application has been legally foreclosed on based upon the applicable state laws.

A foreclosure document complying with the above criteria will be deemed to be a recordable instrument in accordance with 37 CFR 1.331.

March 14, 1988.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1089 OG 35]

(36) Transfer of Pre-1955/1957 Assignment Records to National Archives and Records Administration

The Patent and Trademark Office (PTO) is transferring all of the pre-1955/1957 assignment records under its jurisdiction to the National Archives and Records Administration. These records will be transferred as soon as possible. Notice of the actual date of the transfer will be placed in all PTO public search facilities.

The records will be transferred to the National Archives to allow for greater accessibility to the public, improvement of file integrity for these records, and to ensure preservation of these materials. The pre-1955/1957 records are currently stored in four locations: The Assignment Search Room, the Federal Records Center, the National Archives in downtown Washington, and the National Archives location in Alexandria. Storage of information in these various locations makes searching of these materials difficult. The materials located at the Federal Records Center can be ordered from the Assignment Search Room. However, many times it takes months to receive the materials to complete a search.

The National Archives will store and maintain all patent and trademark assignment records dating from 1837 to December 31, 1954, for trademarks, and from 1837 to April 30, 1957, for patents. These records will be stored at the Washington National Records Center in Suitland, Maryland, and will be available for public inspection in the National Archives research room located at the Washington National Records Center. The research room is open to the public Monday through Friday 8:00 a.m. to 4:15 p.m. and by appointment on Saturday. The Washington National Records Center has adequate parking in addition to a shuttle bus service which leaves from the National Archives on Pennsylvania Avenue five times a day. Self-service photocopies are available for use at ten cents a page. National Archives staff will provide photocopies for a fee of thirty-five cents a page. For more information concerning the operation of the National Archives search facilities in Suitland, call the Suitland Reference Branch at (301)763-7410.

37 CFR 1.12(a) will be waived to the extent fees for copies of records for pre-1955/1957 assignments records will not be established by the PTO. Copies of the pre-1955/1957 assignment records may be obtained upon request and payment of fees required by the National Archives and Records Administration.

HARRY F. MANBECK, JR.
*Assistant Secretary
and Commissioner
of Patents and Trademarks*

[1114 O.G. 17]

(37) Title of Invention Carried on Office Records

The Patent and Trademark Office is experiencing an increased incidence in the number of newly filed applications in which the title of the invention is inconsistent within the papers. This has resulted in applicants requesting correction of the official filing receipt in many instances to indicate the title preferred by applicants.

Hereafter, whenever the title of the invention appears inconsistent within the papers of a newly filed application for patent, the records of the Office will carry the title as indicated on the first page of the specification and no corrected filing receipt will be issued to indicate another title. Note that 37 CFR 1.72(a)

indicates that the title of the invention should appear as a heading on the first page of the specification.

It should also be noted that applicant may amend the title under 37 CFR 1.115 if any changes are subsequently desired before issuance of a patent.

Aug. 31, 1977.

BRADFORD R. HUTHER,
*Acting Assistant Commissioner
for Administration.*

[962 O.G. 23]

(38) Notice to Patent Owners and Parties Responsible for Paying Maintenance Fees Concerning Fee Address and Payor Number

37 CFR 1.363, effective Nov. 1, 1984, provides for a "fee address" to be entered in the Office patent file records for use in all correspondence relating to maintenance fees. The "fee address" is in addition to the "correspondence address" under 37 CFR 1.33 which will continue to be used for all reexamination and interference purposes. If no separate "fee address" is specified, the "correspondence address" will also be used for maintenance fee correspondence.

In order to simplify changes in address by patent owners having several patents, and data input by the Patent and Trademark Office, a "payor number" will be assigned to each "fee address" when a "fee address" is presented to the Office in a patent or request. A request for a "payor number" before a maintenance fee is paid or due will permit a patent owner to request that the "fee address" or "payor number" be recorded in the Office records of the patents owned on which maintenance fees are due so that all notices relating to maintenance fees will be sent to the "fee address".

The Patent and Trademark Office has established a procedure for assigning a "payor number" upon request by a patent owner or a party responsible for paying maintenance fees. Such a party may be, for example, the finance office of a corporation or of a separate organization specializing in maintenance fee payments. Under the procedure, a patent owner or other party may request a "payor number" for a particular "fee address" by writing to: Commissioner of Patents and Trademarks, Box M. Fee, Washington, D.C. 20231. Each request for a "payor number" should include:

- the "fee address" to be used by the Office, and
- the telephone number of the fee addressee to be used to resolve problems.

After receipt of a "payor number", it may be used to indicate to the Patent and Trademark Office the "fee address" to be used in particular patents on which maintenance fees will become due and in applications in which issue fees have been or are being paid. Any request for entry of a "payor number" or "fee address" in the Office records of a patent, however, must be signed by the patent owner or his or her attorney or agent of record.

After a "payor number" has been assigned, it should be used in all future maintenance fee payments and related correspondence. However, where a "payor number" has not been previously entered in the Office records for a patent, the mere indication of a "payor number" at the time of payment of the maintenance fee, without the signature of the patent owner or the owner's attorney or agent of record, will not serve to make the "payor number" of record in the Office for that patent.

Oct. 19, 1984.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1048 O.G. 48]

(39) Policy Regarding Storage, Retention and Availability of the Foreign Patent Documents in the Numeric Collection of the Patent & Trademark Office*

The U.S. Patent and Trademark Office (PTO) maintains the largest collection of foreign patent documents in the United

States. This collection is a major technical information resource that supports the patent examination function as well as the PTO's mission of disseminating technical information. The collection is divided into two parts: the classified collection which is distributed among the examiners' search files, and the numeric collection which is maintained by the PTO's Scientific Library. A large portion of the numeric collection is in paper form, but it also includes considerable microfilm with some overlap between the two forms. Some of the documents are republished versions of earlier publications (e.g., unexamined and examined applications). One of the PTO's objectives has been to reduce the bulky paper foreign patent files in the numeric collection by replacing them, where possible, with good quality microfilm and by eliminating duplicates. A number of other considerations bear on the management of this collection. Because of the importance of the collection, the PTO has established a policy intended to ensure the effective storage, retention, and availability of the foreign patent documents in its numeric collection. The purpose of this notice is to inform the public of this policy which is set forth below.

The public is invited to consider and submit comments on the policy. Please address comments to:

William S. Lawson
Administrator for Documentation
U.S. Patent and Trademark Office
Washington, D.C. 20231

General Policy

The U.S. Patent and Trademark Office (1) is the National repository for all foreign patent documents, except design patents; (2) will maintain, in numerically retrievable collections, as many as possible of these documents for which there is or may be a reasonable level of need, and (3) will make these documents conveniently accessible to the PTO and to the public.

Implementation

1. The Scientific Library is responsible for policy implementation.
2. At least all post-1920 foreign patent documents needed to meet "Minimum Documentation" requirements of the Patent Cooperation Treaty will be housed in the Scientific Library in either paper or microfilm form.
3. All paper copies of foreign patent documents not needed to meet "Minimum Documentation" requirements will be housed either in the Scientific Library or other storage space in accordance with usage activity. The documents with greater activity will be housed in the Scientific Library until space therein is exhausted and the remaining documents will be housed in the other storage space.
4. All foreign journals (official gazettes) will be housed in the Scientific Library.
5. All paper copies of foreign patent documents needed for copy request fulfillment will be stored in a form accessible for prompt retrieval.
6. Whenever feasible, paper copies of foreign patent documents will be replaced by good quality microfilm.
7. 16mm roll microfilm will be the microform preferred for PTO use and archival storage. If 16mm microfilm is not available or is unacceptable, the Library may decide, on a case-by-case basis, whether a different microform should be obtained.
8. All microfilm of foreign patent documents intended for use by the PTO and the public will be housed in the Scientific Library. All archival microfilm will be housed in a facility that is suitable for the preservation and protection of the microfilm and for needed access.
9. Paper copies of foreign patent documents will be disposed of if good quality microfilm of the corresponding documents is available in the Library, good quality archival microfilm is available in the PTO, and the PTO has the legal rights to sell paper copies made from the microfilm and to reproduce the microfilm for internal use; paper copies for which there is little or no demand may be disposed of despite the availability of only marginal-quality microfilm. Paper copies for which good quality microfilm is available in the Library, but for which the other conditions noted above are not met, will be retained, although they need not be stored in a form accessible for prompt

retrieval. However, such documents will be stored in accordance with a procedure designed to ensure preservation of the documents, adequate records of stored material and efficient utilization of space.

10. Where an application has been republished, a decision will be made on a "country-by-country" basis as to whether the duplicate version or versions of the initial document will be retained. The basis for this decision will be the current or anticipated utility of the duplicate documents to the PTO and the public.

11. Collections of paper copies that are not needed by the PTO will be disposed of promptly. Such collections will first be offered, for a limited time, to developing countries through the World Intellectual Property Organization. Collections which cannot be disposed of in this manner may then be disposed of, preferably by offering them for sale, as part of some exchange, or as gifts. However, if unneeded paper copy collections cannot be disposed of in a beneficial manner within a reasonable period of time, they will be discarded.

12. Requests for copies of foreign patent documents from within the PTO and from the public will be fulfilled promptly.

13. Fees to the public for copies of foreign patent documents will be set at a level commensurate with full cost recovery and with the provision of prompt, efficient copy service.

14. As the complete text of foreign patent documents is captured in electronic form and becomes retrievable, numerically and otherwise, to the PTO and to the public, in the automated patent system, paper copies will be disposed of and the retention of microfilm reconsidered.

15. It is recognized that this policy does not provide for all possible circumstances regarding the foreign patent document collection and there may be limited instances where some deviation from the policy is justified. In such cases, the deviation will be justified in writing by the Program Manager of the Scientific Library and approved by the Administrator for Documentation and the Assistant Commissioner for Patents.

WILLIAM S. LAWSON,
Administrator for
Documentation.

Nov. 26, 1984.

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The PTO also maintains a very large, technologically classified collection of foreign patent documents. This policy *does not* apply to the classified collection.

Fees and Payment of Money

(40) Department of Commerce
Patent and Trademark Office
37 CFR Parts 1 and 2
Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce

Action: Final Rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent and trademark cases to establish fee related procedures and fees in amounts which would comply with the requirements of either Public Law 96-517 or H.R. 6260, dependent upon which is effective on Oct. 1, 1982. This action is necessary at this time in view of the requirements to establish fees and procedures contained in Public Law 96-517 and the requirements which would also be present under H.R. 6260 enacted as a Public Law. This final rule is being issued in two sections with the first section relating to patent fees and the second section relating to trademark fees. This final rule is also being issued in alternative form so that the proper fees and procedures will become effective on Oct. 1, 1982, under either Public Law 96-517 or the Public Law which results from enactment of H.R. 6260. Thus, if Public Law 96-517 remains fully effective on Oct. 1, 1982, the rule changes contained herein which are common to Public Law 96-517 and H.R. 6260, as well as those specific to Public Law 96-517, contained in Alternative A of each section, will become effective. Upon

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enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, the rule changes contained herein which are common to Public Law 96-517 and H.R. 6260, as well as those specific to H.R. 6260, contained in Alternative B of each section, will become effective. Thus, the intended effect of this action is to adopt rules which will be effective on Oct. 1, 1982, establishing patent and trademark fees and procedures regardless of whether Public Law 96-517 remains fully effective or whether H.R. 6260 has been enacted.

Effective Date: Oct. 1, 1982. However, prior to Oct. 1, 1982, the Department of Commerce will publish a document confirming the amendments under either Alternative A or Alternative B set forth herein depending upon enactment of H.R. 6260 as a Public Law.

For Further Information Contact: As to the patent rules contact R. Franklin Burnett by telephone at (703) 557-3054 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: R. Franklin Burnett, Rm. 3-11A13, Washington, D.C. 20231.

For Further Information Contact: As to the trademark rules contact Miss Maude Williams by telephone at (703) 557-2222 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: Miss Maude Williams, Rm. 3-11C17, Washington, D.C. 20231.

Supplementary Information:

Section I—Revision of Patent Fees

Background

A notice of proposed rulemaking was published in the *Federal Register* on June 28, 1982, at 47 FR 28042-28063 and in the *Official Gazette* on June 29, 1982, at 1019 O.G. 57-120. An oral hearing was held on July 9, 1982. Fourteen written letters and statements were submitted. Five persons testified at the oral hearing. Full consideration has been given to all of the letters, statements, and testimony.

Objectives of Rule Changes

These rule changes are designed primarily to implement the Patent and Trademark Office fees which are provided for by Public Law 96-517, or which would be set in, or provided for by, the Public Law resulting from H.R. 6260.

Public Law 96-517

Public Law 96-517 presently requires that fees be established by the Commissioner for the processing of patent applications from filing through issuance or abandonment, for maintaining a patent in force, and for providing all other services and materials related to patents. Public Law 96-517 requires that by Oct. 1, 1982, fees for the processing of patent applications, other than design patents, be set by the Commissioner to recover in aggregate 25 per centum of the estimated average cost to the Office of such processing. Similarly, fees for processing design patents are to be set to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. By Oct. 1, 1982, fees for all other services or materials related to patents are to be set to recover the estimated average cost to the Office of performing the service or furnishing the material.

Public Law 96-517 also requires that fees be set for maintaining all patents filed on or after Dec. 12, 1980, other than design patents, in force. It also requires that maintenance fees must recover 25 per centum of the estimated cost to the Office of processing patent applications, other than design patent applications, by the fifteenth fiscal year following Dec. 12, 1980. Under Public Law 96-517, the maintenance fees are due 3 1/2, 7 1/2, and 11 1/2 years after grant of the patent.

Public Law 96-517 is presently effective and this rule change is designed to implement the fee provisions of that law if it remains fully effective on Oct. 1, 1982. The changes which will become effective on Oct. 1, 1982, under Public Law 96-517 (without enactment of H.R. 6260) are (1) the rule changes common to Public Law 96-517 and H.R. 6260, and (2) the rule changes under only Public Law 96-517, which appear in Alternative A.

H.R. 6260

On June 8, 1982, the House of Representatives passed H.R. 6260. H.R. 6260 would establish a number of statutory fees which the Commissioner is required to charge. Among the more significant of these are fees for filing a patent application, issuing, and maintaining a patent in force. The fees for filing a patent application and issuing a patent would be set forth in § 41(a) of Title 35, United States Code, as proposed to be amended by H.R. 6260. Certain other fees, such as appeal fees, the fee for filing a disclaimer, and fees for filing petitions seeking to revive an abandoned application and for extensions of time, would also be set in § 41(a) of Title 35, United States Code. Section 41(b) of Title 35, United States Code, as proposed to be amended by H.R. 6260, would set forth the fees for maintaining a patent in force. These fees would be due 3 1/2, 7 1/2, and 11 1/2 years after grant of the patent or within a grace period of six months thereafter. Section 41(c) of Title 35, United States Code, as proposed to be amended by H.R. 6260, would provide for the acceptance of maintenance fees after the statutory grace period under certain conditions and with certain effects.

H.R. 6260 would also provide for the reduction by 50 per centum in the fees paid under § 41(a) and (b) of Title 35, United States Code, by independent inventors, small business concerns, and nonprofit organizations, who meet the definitions established, and to be established therefor.

Section 41(d) of Title 35, United States Code, as proposed to be amended by H.R. 6260, would also provide that the Commissioner establish fees for all other processing, services, or materials related to patents which are not covered in § 41(a)-(c) of Title 35, United States Code, to recover the estimated average cost to the Office of the processing, services, or materials.

The changes which will become effective on Oct. 1, 1982, upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, are (1) the rule changes common to Public Law 96-517 and H.R. 6260, and (2) the rule changes under H.R. 6260, which appear in Alternative B. H.R. 6260 includes other provisions which would be the subject of other proposals for rulemaking.

Discussion of Significant Changes

This rulemaking places into the appropriate sections of Title 37, Code of Federal Regulations, the various fees which are due on filing, during the pendency of a patent application, or during the term of a patent. A number of significant changes are made in order to implement either Public Law 96-517 or H.R. 6260.

Under H.R. 6260, and Alternative B of this rule making, fees under § 41(a) and (b) of Title 35, United States Code, would be reduced by 50 per centum for independent inventors, small business concerns, and nonprofit organizations. H.R. 6260 would give the Commissioner authority to establish regulations defining independent inventors and nonprofit organizations. H.R. 6260 defines small business concerns by reference to § 3 of the Small Business Act and regulations established by the Small Business Administration. This rulemaking, in Alternative B, implements the fee system which would be established by H.R. 6260 and lists all applicable fees.

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Another significant change relates to fees established under Public Law 96-517 and which would be established by H.R. 6260 for petitions for extensions of time to take actions required by the Commissioner in an application. H.R. 6260 would establish a fee of \$50 for filing a petition for a first one-month extension of time, an additional fee of \$100 for filing a petition for a second one-month extension of time which would expire two months after the end of the time period set for taking action, and an additional fee of \$200 for filing a petition for a third one-month extension of time which would expire three months after the end of the time period set for taking action. A fourth one-month extension with an additional fee of \$200 could be requested if additional time was available under the statute. Under H.R. 6260, the Commissioner would have authority to issue regulations providing when, within any maximum time period permitted by statute, petitions for extensions of time, and the required fee therefor, may be filed. The Commissioner would

also not be precluded by H.R. 6260 from waiving the fee for filing a petition for an extension of time where the Office extends the period due to equity considerations or sufficient cause. This rulemaking implements the extension of time provisions of H.R. 6260 by permitting applicants in the majority of situations to file the petition for an extension of time and the fee at the time of and along with the filing of the response for which a non-statutory or shortened statutory time period has been set. This will reduce the amount of paperwork involved and should significantly reduce the expenses of applicants and the Office since resources now devoted to the separate processing of petitions for extensions of time will no longer be required to be expended thereon. The fees are set to provide a proper control on the number of extensions of time given. The same procedures relating to extensions of time which would be established under Alternative B and H.R. 6260 will also be established under Alternative A and Public Law 96-517. Thus, whether the rules are effective on Oct. 1, 1982, under Public Law 96-517 and Alternative A, or under H.R. 6260 and Alternative B, the same procedures for obtaining extensions of time will be in effect with the only differences being in the amount of the fees.

Another significant change relates to the implementation of the fee for revival of an unintentionally abandoned application which would be authorized under H.R. 6260. H.R. 6260 would establish two different fees for filing petitions with different standards to revive abandoned patent applications. The same two fees would be applicable to petitions to accept the delayed payment of the fee for issuing a patent. Under H.R. 6260, a fee of \$50 is established in § 1.17(1) for filing a petition for revival under §§ 133 or 151 of Title 35, United States Code, in accordance with standards presently in effect where the delay resulting in the abandonment, or the delay in payment of the issue fee, was unavoidable. Under H.R. 6260, a fee of \$500 is established in § 1.17(m) for filing each petition for revival, or for acceptance of the delayed payment of an issue fee, where the abandonment or the failure to pay the issue fee was unintentional. A mere statement that abandonment was unintentional plus the \$500 fee is all that is required in this case for this purpose. Under H.R. 6260 and this rulemaking an applicant would have a choice of which petition and fee to file seeking revival depending on the circumstances involved. The changes discussed in this paragraph cannot be made effective without enactment of H.R. 6260 as a Public Law.

The rulemaking also provides for fees for filing certain petitions which have, in some cases, heretofore, been decided without a charge. These fees are established under Public Law 96-517 and are provided for by the amendment of § 41(d) of Title 35, United States Code, which would be introduced by H.R. 6260. Under § 41 of Title 35, United States Code, as amended by Public Law 96-517 or as it would be amended by H.R. 6260, fees are authorized for the processing of various petitions desiring certain actions to be taken regarding patent applications, for the recording of assignments, for reexamination of patents, and for the processing of international applications under the Patent Cooperation Treaty. In general, fees are not being required for those petitions which are supervisory in nature. For example, where applicants are petitioning from an allegedly improper action of the examiner, it is felt that such petitions should be processed and decided without charge since they are not asking for any special privilege but are attempting to correct an allegedly incorrect Office holding. The changes discussed in this paragraph will be in effect on Oct. 1, 1982, whether the rules become effective under Public Law 96-517 and Alternative A, or under H.R. 6260 and Alternative B.

Many of the fees currently set forth in § 1.21 are being increased to reflect the cost of currently performing that service.

Discussions of Specific Sections Changed

The sections changed are grouped in this proposal under three different categories. Those changes which are common to Public Law 96-517 and H.R. 6260 appear first and are numbered 1-54. Those changes which relate only to Public Law 96-517 appear as Alternative A and are numbered 55-62. Those changes which are dependent upon enactment of H.R. 6260 appear as Alternative B and are numbered 63-71. The changes common to Public Law 96-517 and H.R. 6260 will become effective on

Oct. 1, 1982, whether or not H.R. 6260 is enacted as a Public Law.

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Upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, Alternative B will become effective on Oct. 1, 1982, in which case Alternative A will not become effective.

Rule Changes Common To Public Law 96-517 and H.R. 6260

The following sections are changed, effective Oct. 1, 1982, under either Public Law 96-517 or H.R. 6260:

Section 1.11 is amended to change the reference for the reexamination request fee to § 1.20(c).

Section 1.12 is amended to break the section into four paragraphs. Paragraph (a) maintains current practice but adds specific reference to § 1.19(a)(5) which sets the cost of copies.

Paragraph (b) maintains current wording except for inserting "patent" after "abandoned" and changing "his" to "applicant's". Paragraph (c) includes new language relating to obtaining copies of assignment records not open to the public. Access can be obtained only with the applicant's permission or by petition with fee to the Commissioner for such access in particular situations. No change in the showing required by petition to obtain access is intended by this amendment. Paragraph (d) contains present language except for reference to the specific rule which sets forth the charge for time consumed in making assignment searches.

New paragraph (e) of § 1.14, sets forth the two ways in which access can be obtained to patent applications which are not open to the public. The two ways are (1) by petitioning and paying the petition fee and approval of the Commissioner of such petition and (2) by obtaining written approval from the applicant.

New § 1.19 provides fees for copies of various documents supplied by the Office. The fees have been grouped into 5 paragraphs. New paragraph (a) provides fees for uncertified copies. Subparagraphs (a)(1) and (2) indicate the prices of printed patent copies. Sub-paragraph (a)(3) provides a single fee for a copy of an application, as filed, for each 50 pages, or fraction thereof. This practice should make it much easier to determine the amount of the required fee. Subparagraph (a)(4) sets a single fee for a copy of each 100 pages, or fraction thereof, of a patent file wrapper. Subparagraph (a)(5) provides for a charge of 30 cents per page for copies of Office records other than those covered by subparagraphs (a)(1) through (4). Subparagraph (a)(6) provides a fee for a microfiche copy of a microfiche.

Paragraph (b) of § 1.19 sets fees for certified copies of Office documents. Subparagraph (b)(1) sets a fee for certifying Office records. Subparagraph (b)(2) provides a single fee for searching assignment records, preparing an abstract of the title and certification thereof. Sub-paragraph (b)(3) provides a fee for comparing copies not prepared by the Office prior to certification in order to provide basis for certification. Paragraph 1.19(c) sets the fees for subscribing to all of the patents issued annually in particular subclasses. This charge is in addition to the normal copy charge under § 1.19(a)(1) and (2). Paragraph 1.19(d) sets the fee for providing patent copies to libraries under 35 U.S.C. 13. Paragraph 1.19(e) provides fees for lists of United States patents in particular subclasses.

Section 1.21 is amended to contain those miscellaneous fees which do not relate to the topics covered in §§ 1.16-1.20. All of the fees in § 1.21 are established under the authority given the Commissioner by 35 U.S.C. 41(d) as amended by Public Law 96-517 or as proposed in H.R. 6260. Paragraph 1.21(a) establishes fees for admission to the examination for registration to practice, registration, reinstatement and issuance of certificates of good standing of patent attorneys and agents. Sub-paragraph 1.21(b)(1) sets forth the fee for establishing and reinstating deposit accounts, while subparagraph 1.21(b)(2) sets forth the fee due when the balance at the end of each month is below \$40. Paragraph 1.21(c) sets the fee for filing a disclosure document. Paragraph 1.21(d) sets the fee for renting a delivery box. Paragraph 1.21(e) sets the fee for an international-type search report. Although all national applications now receive what is known as an international-type search, if a report thereof is desired in addition to an Office action, the fee set in § 1.21(e)

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is required. Paragraph 1.21(f) sets a fee for searching Office records for purposes not otherwise specified. Paragraph 1.21(g) sets the fee for tokens for copying machines. Paragraph 1.21(h) sets the fee for recording assignments, agreements, and other documents. Paragraph 1.21(i) sets forth the fee for publishing a notice of availability of a patent for licensing or sale in the *Official Gazette*. Paragraph 1.21(j) sets the fee for the Office providing a duplicate or replacement of a permanent Office user pass. Paragraph 1.21(k) indicates that the Commissioner may specify charges for items and services not otherwise specified at a level to recover the actual cost of providing such an item or service by the Office.

Section 1.24 is revised so that the denomination of coupons sold by the Office will be in more convenient amounts.

Section 1.25 is amended to provide, in paragraph (a), a reference to the fee for establishing a deposit account and a service charge if the end of the month balance is below \$40.00. Paragraph (b) is amended by revising the present sentence to refer to post-issuance fees and by adding a second sentence which would specifically provide in the regulations for the possibility of an applicant giving a general authorization to charge any fee due under §§ 1.16-1.18 in a particular application to a deposit account during the entire pendency of the application.

This general authorization would not apply after the patent issues, e.g., to maintenance fees. The last sentence of paragraph (b) permits fees during reexamination to be charged to a deposit account by filing an authorization with the request for reexamination.

Section 1.26 is amended to provide in paragraph (a) that a withdrawal of a request for an oral hearing will not entitle appellant to a refund. Paragraph 1.26(a) raises the amount which will not be refunded without specific request from fifty cents to one dollar. Paragraph (b) relating to refunds of international search fees during subsequent examination of a national application is deleted since such refunds are now covered by reductions in the appropriate fees paid under § 1.445 rather than solely by direct refunds. Paragraph (c) is amended to bring the spelling of "requester" into conformance with that used in other sections of the regulations.

Section 1.45 is amended to provide in paragraphs (b) and (c) for a petition and petition fee to be filed to correct misjoinder of inventorship situations in pending applications. The fee will cover the additional time required by the Office to process such applications.

Section 1.47 is amended to provide for petitions and fees for filing applications signed by less than all inventors, or a person not the inventor.

Section 1.51 is amended to refer to the filing fees in new § 1.16 and to add a new paragraph (c) indicating that applicants may file authorizations to charge fees required under any of §§ 1.16-1.18 to deposit accounts.

Section 1.52 is amended to add a reference in paragraph (a) to new paragraph (d). New paragraph (d) provides in the rules for filing an application in a language other than English if a verified English translation and fee under § 1.17(k) are timely submitted.

Section 1.55 is amended in paragraph (b) to require a petition and fee for processing priority papers submitted after the issue fee is paid.

Section 1.75 is amended to add a reference to § 1.16 and a sentence referring to the fee for multiple dependent claims set forth in § 1.16(d).

Section 1.85 is amended to delete the sentence relating to mounting of informal drawings.

Section 1.86 is removed to delete the reference to the Office draftsman making drawings since such service is no longer available.

Section 1.102 is amended by revising paragraph (a) and adding new paragraphs (c) and (d). Revised paragraph (a) refers to paragraph (b) and added paragraphs (c) and (d). Paragraph (c) requires a petition but no fee where the basis for the petition to make special is the applicant's age or health or the impact of the invention on improving the environment or conservation of energy. Paragraph (d) requires a petition and the fee set forth in § 1.17(i) for petitions to make special on grounds other than those above.

Section 1.103 is amended in paragraph (a) to provide for filing a petition and the fee set forth in § 1.17(i) for a suspension

of action except that no fee would be required where the reason for the suspension is the fault of the Patent and Trademark Office. Paragraph (b) is amended to clearly indicate that suspensions are directed to actions by the Office and not responses by the applicant.

Section 1.104, paragraph (d) is amended to change the fee reference to correspond to § 1.21(e).

Section 1.134 is added to indicate that unless applicant is notified of any non-statutory or shortened statutory period in an Office action, a maximum period for response of six months is allowed.

Section 1.135 is amended to provide that if no response is filed within the time set in the Office action under § 1.134 or as it may be extended under § 1.136, the application will be abandoned unless an Office action indicates that another consequence, such as disclaimer, will take place. Paragraph (b) is amended to include a reference to paragraph (a). Paragraph (c) is amended to add that applicant's reply must be a bona fide attempt to respond as well as to advance the case to final action in order for applicant to be given an opportunity to supply any omission.

Section 1.136 is amended to revise the title and provide for two distinct procedures to extend the period for action or response in particular situations. The procedure which is available for use in a particular situation will depend upon the circumstances. Paragraph 1.136(a) permits an applicant to file a petition for extension of time and a fee as in § 1.17(a), (b), (c), or (d) up to four months after the end of the time period set to take action except (1) where prohibited by statute, (2) in interference proceedings, or (3) where applicant has been notified otherwise in an Office action. The petition and fee can be filed prior to or with the response. The filing of the petition and fee will extend the time period to take action up to four months dependent on the amount of the fee paid except in those circumstances noted above. Paragraph 1.136(a) will effectively reduce the amount of paperwork required by applicants and the Office since the extension will be effective upon filing of the petition and payment of the appropriate fee and without acknowledgment or action by the Office and since the petition and fee can be filed with the response. Paragraph (b) provides for requests for extensions of time upon a showing of sufficient cause when the procedure of paragraph (a) is not available. Although the petition and fee procedure of § 1.136(a) will normally be available within 4 months after a set period for response has expired, an extension request for cause under § 1.136(b) must be filed during the set period for response. The sentence in paragraph (b) relating to who may grant an extension under paragraph (b) is eliminated thereby providing additional flexibility to designate persons to act on requests under paragraph (b). Extensions of time in interference proceedings are governed by § 1.245.

Section 1.165, paragraph (b) is amended to delete therefrom the last sentence which refers to a fee for mounting copies. Since little or no need has been found for this provision in the rules, it is deleted.

Section 1.171, as amended, adds a reference to § 1.19(b)(2) which sets forth the fee for title reports.

Section 1.177 is amended to require a petition and fee as set forth in § 1.17(i) where it is desired that divisions of a reissue issue on different dates.

Section 1.181 is amended to indicate in paragraph (d) that if a petition to the Commissioner is filed under the provisions of a section which requires a petition fee and the required fee is not paid, the petition will be dismissed. The amendment to paragraph (g) deletes the reference to § 1.183.

Section 1.182 is amended to add a sentence requiring any petition filed under this section to be accompanied by the petition fee set forth in § 1.17(h).

Section 1.183 is amended to specifically refer to the inherent authority of the Commissioner to suspend or waive the rules at the Commissioner's initiative. The amendment also indicates the Commissioner's authority to designate others to act for the Commissioner in appropriate circumstances. The rule language also requires the payment of the petition fee set forth in § 1.17(h) if a petition to suspend or waive the rules is filed.

Section 1.191 is amended to change the fee reference for filing a notice of appeal to § 1.17(e) and delete the word "primary" since some actions which are subject to appeal are not made by a "primary" examiner.

Section 1.192, paragraph (a), is amended to refer to the fee for filing an appeal brief set forth in § 1.17(f). The present language requiring a showing of sufficient cause for extensions of time for filing the brief and an indication that an oral hearing is desired at the time of filing the brief are removed from paragraph 1.192(a). Under the amendment to paragraph 1.192(a), the provisions of § 1.136 will apply to extensions of time for filing the brief. The time for requesting an oral hearing is now set in § 1.194(b).

Section 1.194 is amended to revise paragraphs (b) and (c) to refer to the fee for oral hearing in § 1.17(g) and to indicate in paragraph (b) that any request for an oral hearing must be made within one month after the mailing date of the examiner's answer.

Section 1.197, paragraph (b), is amended to modify the last sentence relating to extensions of time to make the provisions of § 1.136 applicable thereto. Paragraph 1.197(b) is also amended to limit requests for rehearing, reconsideration or modification of a Board decision to one. This will not significantly change present practice since such requests are now required to be filed within thirty days from the date of the original decision.

Section 1.231, paragraph (a)(1), is amended to change the reference to the fee for filing a request for reexamination to § 1.20(c).

Sections 1.245 and 1.246 are amended to indicate that the provisions of § 1.136 do not apply to time periods in interferences.

Section 1.263 is amended to add a reference to the fee for filing a disclaimer contained in § 1.20(d).

New section 1.268 is added to provide a rule relating to the filing of interference settlement agreements. The rule generally follows 35 U.S.C. 135(c) and provides for filing of petitions and fees in paragraphs 1.268(b) and (c).

Section 1.292, paragraph (a), is amended to require the payment of the fee set forth in § 1.17(j) with any petition for the institution of public use proceedings.

Section 1.304, paragraph (a), is amended to provide for extension of the time period for filing an appeal or civil action to be subject to the provisions of § 1.136 and refer to the Court of Appeals for the Federal Circuit rather than to the Court of Customs and Patent Appeals.

Section 1.311 is amended to designate the present section as paragraph (a) and revise it in several ways. Paragraph (a) indicates that the notice of allowance will be sent to the correspondence address as indicated under § 1.33. The issue fee (§ 1.18) is indicated as being due 3 months from the date of mailing of the notice of allowance. Paragraph 1.311(b) permits an authorization to be filed either before or after the mailing of the notice of allowance to charge the issue fee to a deposit account.

Section 1.312 is amended to divide the section into two paragraphs and require a petition and payment of the fee under § 1.17(i) for any amendment filed after payment of the issue fee.

Section 1.313 is amended to provide in paragraph (a) clear basis for the Office withdrawing applications from issue on its own initiative or upon petition by applicant accompanied by the petition fee set forth in § 1.17(i). Any accompanying amendment must comply with the requirements of § 1.312. Paragraph (b) clarifies when an application will be withdrawn from issue after assignment of the issue date and patent number.

Section 1.314 is amended to revise the wording to eliminate reference to a portion of the issue fee and adds reference to the possibility that an application in which the issue fee was paid can be withdrawn from issue under § 1.313 or the issuance thereof deferred pursuant to a petition by the applicant and the payment of the petition fee under § 1.17(i).

Section 1.321 is amended to include references in both paragraphs (a) and (b) to the statutory disclaimer fee in § 1.20(d) and delete the reference to § 1.21.

Section 1.324 is amended to include reference to the fee in § 1.20(b) and change the word "application" to "petition".

Section 1.331, paragraph (a), is amended to add a new sentence which gives the citation of the fee for recording assignments and to indicate that instruments recorded on the Government register under Part 7 of Title 37, Code of Federal Regulations, do not require payment of such fee.

Section 1.332 is amended to refer to the fee in § 1.21(h) for recording an assignment.

Section 1.334 is amended to divide the rule into three paragraphs and also require an address of the assignee so that correspondence can be directed to the assignee if required. New paragraph (c) provides for filing a petition and the fee set in § 1.17(i) seeking to have the patent issue to the assignee where such assignment has not been recorded at the time the issue fee is paid.

Section 1.341, paragraph (h), is amended to refer to the fee set forth in § 1.21(a)(2) for registration of an attorney or agent.

Section 1.347 is amended to add a sentence referring to the fee set forth in § 1.21(a)(3) for reinstatement of an attorney or agent.

Section 1.445 is amended to increase the PCT transmittal fee and search fee to a level needed to cover the cost of performing the required functions. Paragraph 1.445(a)(2) is also amended to provide, in effect, for a reduction in the international search fee due to the United States Patent and Trademark Office as an International Searching Authority where a corresponding United States national application with fee has been filed. In addition, paragraph 1.445(a)(4) is amended to credit the national fee required under § 1.16(a)-(d) where an international search fee has been paid on the corresponding international application to the United States as an International Searching Authority. Where the amount of the credit is in excess of that required for the national fee a request for a refund of the excess under § 1.446(b) may be filed at the time of paying the national fee. The supplemental search fee for inventions in addition to the first, where lack of unity of invention has been found, is reduced since the present fee is more than is required to cover the costs. The national fee amount is the same as the national application filing fees in § 1.16(a)-(d).

Section 1.446(b) is revised to permit a refund of a portion of the search fee to the extent set forth in § 1.445(a)(4), if such refund is requested at the time of paying the national fee.

Section 1.451 is amended in paragraph (b) to revise the citation of the fees for a certified copy.

Section 1.510 is amended to cite the section which sets forth the fee for requesting reexamination. There is no change in the amount of this fee.

* * * * *

Alternative B—Rule Changes Under H.R. 6260

The following sections will become effective on Oct. 1, 1982, upon enactment of H.R. 6260 as a Public Law prior to that date:

Section 1.16 in Alternative B establishes in the regulations those statutory fees which would be charged by the Commissioner for filing patent applications under H.R. 6260. Section 1.16 also includes additional filing fees set in 35 U.S.C. 41(a)(1) to cover the cost of examining complexities presented by certain applications, e.g., applications containing more than a specified number of claims and any application containing a multiple dependent claim. Section 1.16 also provides that fees will be charged when the number of claims is increased above the specified number or when a multiple dependent claim is first presented, whether on filing or at a later point in processing.

Under 35 U.S.C. 41(a) as it would be amended by H.R. 6260, the filing fee for an original patent, except in design or plant cases, is \$300. In addition, on filing or on presentation at any other time, \$30 is due for each claim in independent form which is in excess of three, \$10 is due for each claim (whether independent or dependent) which is in excess of twenty, and \$100 is due for each application containing a multiple dependent claim. The latter fee is a one-time charge per application due the first time a multiple dependent claim is presented for examination. For the purpose of computing fees, a multiple dependent claim as referred to in § 112 of Title 35, United States Code, or any claim depending therefrom, is considered as separate dependent claims in accordance with the number of claims to which reference is made.

The fees in § 1.16 are reduced by 50 per centum for applications filed by small entities, i.e., independent inventors, nonprofit organizations and small business concerns, in accordance with H.R. 6260. Therefore, two fees are listed under each paragraph.

New § 1.16 relates to application filing fees. Paragraph (a) sets a basic filing fee of \$300 which will be required in all original

(40)

patent applications. The term "original" as used in the regulations means "non-reissue". An "original" application can be a first filing, a division, a continuation, or a continuation-in-part application. Paragraph 1.16(b) provides for an additional fee of \$30 for each independent claim in excess of 3 in an original application. New paragraph 1.16(c) provides for an additional fee of \$10 for each claim in excess of 20, whether independent or dependent. A multiple dependent claim is considered to be that number of claims to which direct reference is made. Also, any claim which refers to a multiple dependent claim is considered for fee calculation purposes to be the number of claims to which direct reference is made in the multiple dependent claim. Paragraph 1.16(d) provides for a new fee of \$100 in each application which contains one or more multiple dependent claims. The note following paragraph 1.16(d) is intended to clearly indicate that the applicant, attorney, or agent may pay any additional fees required under paragraphs (b), (c) and (d) of § 1.16, or cancel such claims without payment of such additional fees, either at the time of filing or by the time a response is due to any notice of fee deficiency mailed by the Office. If the fees are not paid or the claims cancelled by the end of the period set for response to the notice of fee deficiency, the application will be held abandoned. New paragraph 1.16(e) establishes the amount of the surcharge for filing the basic filing fee or oath or declaration on a date later than the filing date of the application. This fee is being established at this time, but will only be made effective when the statutory authority for the late filing of the fee or the oath or declaration becomes effective under 35 U.S.C. 111, as it would be amended by H.R. 6260. New paragraph 1.16(f) provides for a filing fee of \$125.00 for a design application.

Paragraphs 1.16(g) and (h) incorporate into the regulations the filing fees for plant and reissue applications.

Paragraphs 1.16(i) and (j) set forth the additional claim fees required in reissue applications based on claims in excess of those in the original patent.

New § 1.17 relates to patent application processing fees which are normally due during the time a patent application is pending. New paragraphs (a), (b), (c) and (d) provide for the payment of an extension fee for obtaining an automatic extension of time upon filing a petition as provided for in § 1.136(a). The extension fee can be paid during the period for which an extension of time to respond is desired, or after the original period for response has expired, provided that any maximum statutory period which may apply has not expired. The fees set forth in § 1.17 are the total fees required under § 1.136(a) for the periods indicated and any extension fee previously paid to extend a particular period is credited toward the total extension fee required. Paragraph (e) sets forth the fee for filing a notice of appeal to the Board of Appeals. Paragraph (f) sets forth the fee for filing an appeal brief for appellant. Paragraph (g) provides for a new fee for requesting an oral hearing before the Board of Appeals. Paragraphs (h) and (i) set forth fees which will be required with petitions to the Commissioner under those sections of the regulations which specifically indicate that such petition fees are required. The amount of the fees are set at two levels based on the degree of complexity of the petitions in order to recover the estimated average cost to the Office of processing the petitions. Paragraph (j) provides for a fee to be paid with any petition for institution of a public use proceeding to cover the estimated average cost of such a proceeding. Paragraph (k) sets forth a new fee for processing an application filed with a non-English language specification. The fee will cover the additional processing costs involved in such applications. New paragraph (l) incorporates into the regulations the fee which will be charged for filing a petition to revive or to accept late payment of the issue fee where the delay was unavoidable. New paragraph (m) incorporates into the regulations the fee which will be established in 35 U.S.C. 41(a)7, as amended by H.R. 6260, to be charged for a petition for the revival of an unintentionally abandoned application for patent or for the unintentionally delayed payment of an issue fee.

Since paragraphs 1.17(h), (i), (j) and (k) are established under the authority given the Commissioner under 35 U.S.C. 41(d) as it would be amended by H.R. 6260, only one level of fee is set. H.R. 6260 only provides for the reduction of fees charged to small entities of those fees established in 35 U.S.C. 41(a) and (b).

New § 1.18 sets the amount of the issue fees specified by H.R. 6260. New paragraph (a) establishes an issue fee of \$500.00 for all original and reissue patents except for designs and plants. New paragraph (b) sets the amount of the issue fee for a design patent. New paragraph (c) sets forth the issue fee for a plant patent. All fees in § 1.18 will be reduced by 50 per centum for small entities.

New § 1.20 sets fees for various post-issuance functions performed by the Office. New paragraph (a) sets forth a fee for providing a certificate of correction of an applicant's mistake. New paragraph (b) sets a fee to accompany a petition to correct inventorship in a patent under § 1.324. New paragraph (c) transfers the \$1,500.00 fee for requesting reexamination from present § 1.21(x) to this new section. New paragraph (d) provides for a fee for filing a disclaimer under § 1.321. Maintenance fees required by Public Law 96-517 and which would be set in H.R. 6260 are placed in this section. Specific maintenance fees, which are required by Public Law 96-517, for those patents resulting from applications filed on and after Dec. 12, 1980 and up to the date of enactment of H.R. 6260 are being established at this time in paragraphs 1.20(e)-(g). New paragraphs 1.20(h)-(j) incorporate into the regulations the maintenance fees which would be provided in 35 U.S.C. 41(b) by H.R. 6260. The fees in paragraphs 1.20(a)-(c) are only set at one level because they are established under 35 U.S.C. 41(d). The fees in paragraphs 1.20(e)-(g) are only set at one level because they are established under Public Law 96-517 and are not subject to reduction for small entities. The details implementing the payment of maintenance fees are not being established at this time.

Section 1.66 is amended to provide for the use of an apostille of a foreign official to attest to oaths or affirmations made in foreign countries in accordance with 35 U.S.C. 115 and 261, as amended by H.R. 6260.

Section 1.137, as amended, designates the existing section as part of paragraph (a), adds a reference to the new fee under § 1.17(1) for a petition for revival where the delay which resulted in abandonment was unavoidable, indicates that the petition must be promptly filed, and states when the showing that the delay was unavoidable must be verified. New paragraph 1.137(b) provides for filing a statement and a fee under § 1.17(m) for revival of an application which was unintentionally abandoned, and also indicates when such petitions can be filed. Paragraph (c) requires that any petition for revival under paragraph (a) of § 1.137 be promptly filed and that a terminal disclaimer, equivalent to the period of abandonment of the application, be filed with any petition under paragraph (a) filed more than six months after the date of abandonment.

Section 1.155 is amended to refer in paragraph (a) to § 1.18(b) which sets forth the issue fee for a design application. Paragraph 1.155(b), as amended, includes a reference to the fee for delayed payment of the issue fee set forth in § 1.17(1) where the delay in payment was unavoidable, indicates that the petition must be promptly filed, and states when showings that the delay was unavoidable must be verified. New paragraph 1.155(c) provides for acceptance of the late payment of the issue fee where the delay was unintentional upon petition and payment of the fee set forth in § 1.17(m). New paragraph 1.155(c) also indicates when such petitions can be filed. Paragraph 1.155(d) is added to require a terminal disclaimer equivalent to the period of abandonment of the application where petition under paragraph (b) of § 1.155 is not filed within six months of the date of abandonment.

Section 1.316 is amended to implement the statutory provisions of 35 U.S.C. 41(a) with regard to petition fees for revival of applications abandoned for failure to pay the issue fee. Paragraph (b) is amended to provide for petitions for revival with the fee in § 1.17(1) where the delay in payment was unavoidable, to indicate that the petition must be promptly filed, and to state when showings that the delay was unavoidable must be verified. Paragraph (c) is added to provide for petitions for revival with the fee in § 1.17(m) where the delay was unintentional. New paragraph (c) also indicates when such petitions can be filed. Paragraph (d) is added to require a terminal disclaimer equivalent to the period of abandonment of the application where a petition under paragraph (b) of § 1.316 is not filed within six months of the date of abandonment.

Section 1.317 is amended to implement the statutory provisions of 35 U.S.C. 41(a) with regard to petition fees for patents lapsed for failure to pay the remaining balance of the issue fee.

Paragraph (a) is amended to show that it applies only to patents in which the issue fee was paid prior to Oct. 1, 1982. Issue fees paid on or after that date will be in accordance with § 1.18. Paragraph (b) is amended to provide for petitions with the fee in § 1.17(1) where the delay in payment was unavoidable, to indicate that the petition must be promptly filed, and to state when showings that the delay was unavoidable must be verified. Paragraph (c) is added to provide for petitions with the fee in § 1.17 (m) where the delay was unintentional. New paragraph (c) also indicates when such petitions can be filed. Paragraph (d) is added to require a terminal disclaimer equivalent to the period of lapse of the patent where a petition under paragraph (b) of § 1.317 is not filed within six months of the date of lapse.

Response to Comments on the Rules

Specific comments were received on a number of the sections. All of the comments, including the written comments and the oral testimony, were considered in adopting the changes set forth herein.

Written comments were received from three patent law groups and eleven individuals. The three patent law groups were (1) the American Patent Law Association whose membership includes several thousand lawyers involved in the practice of law before the U.S. Patent and Trademark Office; (2) the Patent, Trademark and Copyright Section of the Virginia State Bar; and (3) the Patent, Trademark and Copyright Law Section of The Bar Association of the District of Columbia.

Oral comments were presented at the hearing on behalf of two patent law groups and by 3 individuals on their own behalf.

These comments appear below along with responses thereto. Comments received relating to §§ 1.9, 1.27 and 1.28 and the forms of Part 3 are not discussed in substance in this rule change since additional time for submitting written comments is provided until Aug. 13, 1982. All comments presented to these rules will be discussed in a later rule promulgation.

Comment:

One person argued that it is unreasonable to require fees to lengthen a shortened statutory period.

Reply:

A shortened statutory time is provided for by statute. The shortened period helps reduce patent pendency time and speed the disclosure of technology and information about patent rights. Many applicants can reply within the present three month shortened period which has been in effect for over fifteen years. The fee for extending the time provides a positive method for applicants to obtain an extension of time while still expediting the prosecution of their applications.

Comment:

Another person commented that H.R. 6260 should be rejected in that the fee levels are too high.

Reply:

The consideration of the merits of H.R. 6260 is not before the Office in this rule change.

Comment:

Three patent bar groups and two individuals presented comments relating to the effect of the new extension of time fees in § 1.17 and the effect thereof on the current practice of granting an automatic one-month extension of time if a timely first response to a final rejection is filed by the applicant.

Reply:

The Office plans to terminate the automatic one-month extension of time practice on Oct. 1, 1982. It is felt that the extensions of time which are readily available under §§ 1.17 and 1.136 will meet the needs of applicants. The amount of the fees required to obtain an extension will be the same for periods of response before and after final rejection.

Comment:

One suggestion was made to permit the filing of an appeal without the appeal fee where the Office has not acted on a timely response after final rejection by applicant.

Reply:

Such a procedure is not possible under the provisions of H.R. 6260 since it calls for the appeal fee "On filing an appeal" in § 41(a)6.

Comment:

Two comments were received requesting that the rules be changed to make the due date for paying the fee for an oral hearing on appeal after the examiner's answer on appeal.

Reply:

A change in the rules has been made to provide that the fee for an oral hearing is due no later than one month after the date of mailing of the examiner's answer.

Comment:

Two comments were received requesting that no charge for revival of an abandoned application be made where the abandonment resulted from the non-receipt of an Office action by the applicant.

Reply:

It is present Office practice to remail any Office action which is not received at applicant's correspondence address and start anew the response period. This procedure will continue in the future under the revised rules.

Comment:

Three patent bar groups and two individuals indicated that the proposed deletion of the refund provisions due to PCT search reports in § 1.26(b) and § 1.446(b) would make the cost of filing under the Patent Cooperation Treaty prohibitively high and does not recognize the benefit of an earlier search on a corresponding application.

Reply:

In view of these comments, proposed § 1.445(a) (2) and (4) and § 1.446(b) have been amended to provide a credit of \$250 where there is a corresponding application.

Comment:

One individual requested that the multiple dependent claim practice set forth in § 1.75(c) be changed to permit one multiple dependent claim to refer to another multiple dependent claim as permitted under European practice.

Reply:

This suggestion cannot be adopted since it is contrary to 35 U.S.C. 112 and cannot therefore be changed by rule.

Comment:

One suggestion was made to change "official" to "Office" in § 1.135(b).

Reply:

The suggestion has been adopted.

Comment:

One suggestion was made to allow refund of the oral hearing fee if an oral hearing is not held.

Reply:

This suggestion was not adopted since such refund is not appropriate in view of the fact that the fee is stated to be "for requesting an oral hearing" and not the actual conduct thereof.

Comment:

Three patent bar groups raised the question as to whether an applicant would be permitted to revive an unintentionally abandoned application under § 1.137(b) after having been unsuccessful in the unavoidable approach under § 1.137(a) and suggested that this be made clear when the proposed rules are promulgated.

Reply:

Yes, an applicant under certain conditions could use § 1.137(b) after having been unsuccessful in the unavoidable approach under § 1.137(a).

Comment:

Several comments related to the possibility of reviving applications unintentionally abandoned up to 15 years ago.

Reply:

In view of the comments received, § 1.137(b) is being implemented to provide only for the revival of applications which were unintentionally abandoned for a reasonable but limited period of time. This should create no substantial problems in regard to intervening rights situations. It would permit some greater flexibility than that originally proposed but should have no significant effect on the current case backlog, pendency or number of interferences pending.

Comment:

One comment was received pointing out that the availability of an "unintentional abandonment" revival under § 1.137(b) should not result in stricter holdings in "unavoidable abandonment" revival petitions under § 1.137(a).

Reply:

The Office plans to continue to use the current criteria used to decide petitions to revive applications unavoidably abandoned.

Comment:

One written comment questioned whether the Commissioner has statutory authority to revive unintentionally abandoned applications.

Reply:

If Congress did not intend the Commissioner to have such authority there would have been no reason to establish fees in § 41(a)7 in H.R. 6260. The legislative history of H.R. 6260, House Report No. 97-542 (Committee on the Judiciary), also makes the Congressional intent clear. The provisions in H.R. 6260 relating to unintentional abandonment are substantive in addition to setting the fee.

Comment:

One letter questioned what is intended by the statement in § 1.137(b) that the Commissioner may require additional information where there is a question whether the abandonment was unintentional.

Reply:

Additional information would be required only where there is an indication that the abandonment was intentional, for example, where an express abandonment has been filed. The record should be clear how such an express abandonment was unintentional if the petition is to be granted.

Comment:

One comment raised the question as to whether in a petition to revive on grounds that the delay was unavoidable under § 1.137(a), it would be sufficient that a registered attorney's statement be submitted which merely recites facts as related to him or her by another.

Reply:

Statements must be made, where possible, by the person having direct personal knowledge of the facts. No change in the "showing" required or the persons making them is intended in such petitions. The rule merely clarifies that a statement by a registered attorney or agent need not be in the form of an oath or declaration.

Comment:

One comment suggested that § 1.317 be changed to provide for the situation where there was a lapse in a patent due to the unintentional delay in paying a balance of issue fee due.

Reply:

Section 1.317 has now been changed to provide for this lapse situation.

Comment:

Three patent bar groups and one individual indicated that a full credit of the amount equal to the international search fee be made where both a U.S. national and international search are made by the United States Patent and Trademark Office.

Reply:

While a complete credit is not considered proper in view of additional processing work (including searching) required in the second application, a credit of \$250 has been provided in revising § 1.445(a) (2) and (4).

Comment:

One person commented that the term "patent" should be inserted after "abandoned" in § 1.12(b).

Reply:

The suggestion has been adopted.

Discussion of Significant Differences Between Proposed and Final Rules

A number of other changes which have been made as a result of the comments received and further review of the proposed rulemaking are identified below.

Implementation of the changes to § 1.9, new §§ 1.27 and 1.28, and the deletion of Part 3 are being deferred for further comments by Aug. 13, 1982. See the discussion below.

Subparagraph (a) (5) of § 1.19 has been changed from that proposed by referring to subparagraphs (1) through (4) rather than (3) and (4) in order to clarify that copies of patents cannot be ordered at the rate set in subparagraph (a) (5). Instead, copies of patents must be ordered under paragraphs (a) (1) and (2) of § 1.19.

Section 1.24 has been changed from that proposed to provide for the sale of 40-cent coupons. Coupons in this denomination may be useful in view of the charge of forty cents for a printed

copy of a registered mark in § 2.6(m) of Alternative A of the trademark rules.

Sections 1.137, 1.155 and 1.316 have been changed from that proposed in Alternative B to further specify the conditions under which unintentionally abandoned applications can be revived.

Sections 1.192 and 1.194 have been changed from that proposed so as to allow a request for an oral hearing and the payment of the required fee therefor to be made one month after the date of the examiner's answer. Previously, appellant was required to indicate a desire for an oral hearing at the time of filing the brief. The sections will now permit appellant to consider the examiner's answer before deciding whether to request an oral hearing and pay the required fee.

Section 1.317 has been changed in Alternative B to provide for the situation where there was a lapse in a patent due to the unintentional delay in paying a balance of issue fee due.

Section 1.445(a) (2) and (4) have been changed from that proposed to provide for a reduction in the international search fee where there has been a corresponding United States national application and a credit to the national fee where an international search fee has been paid in a corresponding international application and the international search has been made by the United States Patent and Trademark Office.

Section 1.446(b) has been changed from that proposed to permit a refund of a portion of the search fee to the extent set forth in § 1.445(a) (4), if such refund is requested at the time of paying the national fee.

Implementaion of Patent Fee Revisions

The effective date of the patent fee revisions contained in this rulemaking is Oct. 1, 1982.

* * * * *

The changes which will become effective on Oct. 1, 1982, upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, are (1) the rule changes common to Public Law 96-517 and H.R. 6260, and (2) the rule changes under H.R. 6260, which appear in Alternative B. The rule changes common to Public Law 96-517 and H.R. 6260 will become effective on Oct. 1, 1982, whether or not H.R. 6260 is enacted as a Public Law prior to Oct. 1, 1982.

* * * * *

Upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, the rule changes in Alternative B will become effective on Oct. 1, 1982, in which case the rule changes in Alternative A will not become effective on Oct. 1, 1982.

Any fee which is due and payable on or after Oct. 1, 1982, must be paid in the amount and in accordance with the procedures contained in this rulemaking. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing under § 1.8 will be considered to be the date of receipt in the Office. In order to ensure clarity in the implementation a discussion of the implementation of specific sections is set forth below:

Implementation of Specific Sections

The various sections will be implemented in the manner set forth below:

§ 1.16 National application filing fees.

Any national patent application filing fees paid on or after Oct. 1, 1982, must be paid in the amounts set forth in this section. Any additional fees which become due under § 1.16 in pending applications on or after Oct. 1, 1982, or which have not been paid prior to Oct. 1, 1982, must be paid in the amounts set forth in this section even though the application was filed prior to Oct. 1, 1982. For example, if an application filed prior to Oct. 1, 1982, is amended on or after Oct. 1, 1982, to include a multiple dependent claim for the first time, the fee set forth in § 1.16(d) must be paid.

The surcharge in § 1.16(e) of Alternative B is being established at this time, but will only be made effective when the

statutory authority for the late filing of the fee or the oath or declaration becomes effective under 35 U.S.C. 111, as it would be amended by H.R. 6260. The statutory authority for the late filing of the fee or the oath or declaration becomes effective six months after enactment of H.R. 6260 as a Public Law.

§ 1.17 Patent application processing fees.

Any patent application processing fees paid on or after Oct. 1, 1982, must be paid in the amounts set forth in this section.

The extension fees which must accompany a petition for an extension of time become effective on Oct. 1, 1982, and apply to any application for which the period for responding, i.e., taking action, expires on Oct. 1, 1982, or thereafter. If a response or action by the applicant was due before Oct. 1, 1982, and was not filed timely or an extension of time until Oct. 1, 1982, or thereafter, was not obtained, then § 1.136(a) cannot be used to obtain an extension. *Any response or action required before Oct. 1, 1982, cannot have its time extended by using § 1.136(a).* If one or more previous extensions have been granted prior to Oct. 1, 1982, extending the time for taking action until Oct. 1, 1982, or thereafter, the fees which are due for additional extensions under § 1.136(a) will be as set forth in § 1.17(a)-(d) under either Alternative A or B.

* * * * *

The previous practice of extending the shortened statutory period an additional month upon the filing of a timely first response to a final rejection is being discontinued effective with any first response to a final rejection filed on or after Oct. 1, 1982. Applicants can obtain additional time for response after that date by paying the appropriate fee for the same. An object of the previous practice, as expressed in § 714.13 of the Manual of Patent Examining Procedure, was to obviate the necessity for appeal or filing a continuing application merely to gain time to consider the examiner's position in reply to a response timely filed after final rejection. Under § 1.136(a) the object of the previous practice can be achieved without continuing the previous practice. Thus, under § 1.136(a) an applicant can file a timely first response to a final rejection within the initial period without having to file an appeal or a continuing application if the examiner's response is not received prior to the expiration of the initial period for response. If the timely first response places the application in condition for allowance no additional response and no extension fee from applicant is required. If the examiner's advisory action indicates the timely first response did not place the application in condition for allowance the applicant may then consider the examiner's position to determine whether further prosecution is desirable. If further prosecution is not desired the application can be abandoned without further response or expense. If further prosecution is desired, the applicant can petition and pay the necessary fee to extend the time to the extent appropriate up to the maximum permitted by statute. The availability of this flexibility under § 1.136(a) eliminates the necessity for the previous practice. Further, under H.R. 6260 extensions of time would be granted in most instances by virtue of the payment of fees rather than without fees as in the previous practice. The elimination of the previous practice after final rejection is thus consistent with the letter and spirit of H.R. 6260.

After an applicant has petitioned and paid the extension fees of \$550 for response within the fourth month pursuant to § 1.136(a), any further extensions which are permitted under the statute must be obtained under § 1.136(b).

A petition for extension of time under § 1.136(a) may incorporate by reference a previously filed response without including an additional copy of the response in circumstances where the response was received late and the petition is filed to extend the time so that the response will be considered timely.

The appeal fees set forth in § 1.17(e)-(g) are due for notices of appeal or briefs filed, or requests for oral hearings filed, on or after Oct. 1, 1982. If more than one appeal occurs in an application, the fees are due for each notice of appeal, each brief, and each request filed for an oral hearing as long as a decision on the merits by the Board of Appeals resulted from the first notice of appeal, brief, and request for an oral hearing. If the examiner reopens prosecution in the application after appeal and prior to the decision by the Board of Appeals then the fee for the notice of appeal, brief, and request for an oral hearing will apply to a

later appeal which does result in a decision by the Board of Appeals. No refund of any appeal fees is permitted since such are due on filing or on requesting an oral hearing. No fee is required for a reply brief.

The fees for petitions set forth in § 1.17(h)-(j) and (1) apply to any such petition filed on or after Oct. 1, 1982. The fee set forth in § 1.17(m) of Alternative B would apply, with enactment of H.R. 6260 prior to Oct. 1, 1982, to petitions (1) for revival of an unintentionally abandoned application or (2) for the unintentionally delayed payment of the fee for issuing a patent. Section 1.137(b) of Alternative B would apply to applications unintentionally abandoned by failure to prosecute, e.g., failure to respond to an Office action. Sections 1.155(c) and 1.316(c) of Alternative B would apply to applications in which the payment of the fee for issuing a patent is unintentionally delayed. These sections would be implemented, with enactment of H.R. 6260 prior to Oct. 1, 1982, by making them effective as to any applications which would be covered by the literal language of the sections. In addition, and for a transition period between Oct. 1, 1982, and Dec. 31, 1982, a petition to revive an unintentionally abandoned application would be granted if (i) the application received a decision on a petition to revive the application on or after Oct. 1, 1981, and before July 30, 1982, or (ii) a petition was filed or renewed on or after Oct. 1, 1981, and before July 30, 1982, provided in the case of both (i) and (ii) that a petition to revive was filed within one year of the date of abandonment. The dates in question were chosen so as to permit this remedial provision to be given as wide an application as possible to benefit applicants whose applications have previously been unintentionally abandoned, but who could not meet the previous requirements for a showing that the delay resulting in the abandonment was unavoidable. The dates were also chosen to prevent an applicant whose application has been abandoned for an unduly long period from attempting to take advantage of this new provision, possibly to the detriment of individuals or companies who had begun to make, use, or sell the subject matter of the application after the date of abandonment of the application. By using these dates the possibility of reviving the application of an applicant who has, in effect, abandoned the invention under 35 U.S.C. 102(c) is minimized. Implementing these sections in the manner set forth would be appropriate and proper in view of the legislative history of H.R. 6260, contained in House Report No. 97-542 (Committee on the Judiciary), which indicates that the Commissioner can establish time limits within which petitions to revive or to accept late payment of issue fees can be filed. Thus, it is entirely proper to limit such petitions in the manner set forth in order to prevent abuses from occurring. To ensure that abuses do not occur, § 1.137(b), 1.155(c), 1.316(c), and 1.317(c) specifically indicate that waivers of the time periods involved will not be considered via petitions under § 1.183.

The fee set forth in § 1.17(k) is required for any application on or after Oct. 1, 1982, with a specification in a non-English language.

§ 1.18 Patent issue fees.

Any patent issue fee paid on or after Oct. 1, 1982, must be paid in the amounts set forth in this section even if the notice of allowance was mailed prior to Oct. 1, 1982, and indicates different amounts due. If the issue fee is paid prior to Oct. 1, 1982, any balance of issue fee due must be paid in accordance with § 1.317.

§ 1.19 Document supply fees.

The document supply fees set forth in this section will apply to all orders and requests received by the Patent and Trademark Office on or after Oct. 1, 1982.

§ 1.20 Post-issuance fees.

The post-issuance fees set forth in § 1.20(a)-(d) apply to any petitions, requests, or actions filed on or after Oct. 1, 1982. The amounts of the maintenance fees are included in § 1.20.

Maintenance fees will be required for any patent actually applied for on or after Dec. 12, 1980, whether or not the patent is entitled to the benefit of an earlier filing date under 35 U.S.C. 120 or a right of priority under 35 U.S.C. 119. For reissue patents, the controlling date would be the filing date of the original patent.

For example, maintenance fees would only be required where the application for the original patent was filed on or after Dec. 12, 1980. As to patents resulting from international applications filed under the Patent Cooperation Treaty, maintenance fees will be required on all patents resulting from international applications having PCT filing dates on or after Dec. 12, 1980.

The details implementing payment of the maintenance fees are not being established at this time since such fees will not be due for some time and additional consideration of the problems thereof is required.

§ 1.21 Miscellaneous fees and charges.

The miscellaneous fees and charges set forth in this section will apply to all orders and requests received by the Patent and Trademark Office on or after Oct. 1, 1982.

§ 1.445 International application filing and processing fees.

Any international application filing and processing fees paid on or after Oct. 1, 1982, must be paid in the amounts set forth in this section.

Implementation Of Certain Sections Deferred For Further Comments

In view of the comments and the recommendations received at the hearing on July 9, 1982, the period for written comments on § 1.9(c), (d), (e), and (f), and on §§ 1.27 and 1.28, has been extended until Aug. 13, 1982 (see 47 FR 32458, July 27, 1982). Comments received at the hearing on July 9, 1982, expressed the view that there is no necessity to publish final rules on § 1.9(c), (d), (e), and (f), and on §§ 1.27 and 1.28, by August 2, 1982, and that further time for consideration and comment was necessary. Persons commenting stated a belief that the pressure of time does not apply to §§ 1.27 and 1.28 as it does apply to the fee rulemaking. Accordingly, the period for written comments on these sections is extended until Aug. 13, 1982. After receiving written comments by Aug. 13, 1982, the changes to § 1.9 and proposed §§ 1.27 and 1.28 will be adopted as final rules with such modifications as are found to be appropriate after review of the comments. These rule changes, with any appropriate modifications thereof, must become effective on Oct. 1, 1982, with enactment of H.R. 6260 prior to Oct. 1, 1982. Accordingly, adoption of the changes to § 1.9 and new §§ 1.27 and 1.28 is being deferred at this time to permit additional written comments by Aug. 13, 1982. However, these rule changes will be adopted, with any appropriate modifications, as soon as possible after receipt of the additional written comments. No additional proposal will be published and no additional hearing will be held prior to adoption of final rules on the changes to § 1.9 and on new §§ 1.27 and 1.28.

As a result of additional comments presented during the hearing on the proposed trademark fees, the period for written comments on the deletion of Part 3 was also extended until Aug. 13, 1982, to provide an additional opportunity for interested persons to comment on this proposed change. Since it is not essential that this deletion be published by Aug. 2, 1982, it is appropriate to extend the period for comments. No additional proposal will be published and no additional hearing will be held prior to a decision on whether or not to delete Part 3 as proposed.

SECTION II—REVISION OF TRADEMARK FEES

Background

A notice of proposed rulemaking was published in the Federal Register on June 28, 1982, at 47 FR 28063-28065 and in the Official Gazette on June 29, 1982, at 1019 TMOG 110-119. An oral hearing was held on July 9, 1982. Three written letters and statements were submitted. Three persons testified at the oral hearing. Full consideration has been given to all of the letters, statements, and testimony.

Objectives of Rule Changes

These amendments establish fees for the filing and processing of an application for the registration of a trademark or other

mark, and for providing all other services and materials relating to trademarks and other marks.

Public Law 96-517

Public Law 96-517 authorizes the Commissioner to establish fees for the filing and processing of an application for the registration of a trademark or other mark, and for providing all other services and materials relating to trademarks and other marks. Public Law 96-517 requires that by Oct. 1, 1982, fees for the filing and processing of an application for the registration of a trademark or other mark be set to recover in the aggregate 50 percent of the estimated average cost to the Office of such processing. Also by Oct. 1, 1982, fees for providing all other services and materials relating to trademarks and other marks are to be set to recover the estimated average cost to the Office of performing the service or furnishing the material.

H.R. 6260

On June 8, 1982, the House of Representatives passed H.R. 6260. This bill would amend the fee provisions to be implemented on Oct. 1, 1982. H.R. 6260 would repeal the provisions in Public Law 96-517 requiring that filing and processing fees be set to recover in the aggregate 50 percent of the estimated average cost of such processing to the Office, and that fees for providing all other services and materials relating to trademarks and other marks be set to recover the estimated average cost to the Office of performing the service or furnishing the material. In passing H.R. 6260, the House of Representatives recommended a fee schedule to the Commissioner for fiscal year 1983. The fees set in Alternative B adopt the House recommendation.

This rule change, therefore, is also designed in the alternative to implement the fee provisions as they would be amended by H.R. 6260. The rule change contains changes which are common to Public Law 96-517 and H.R. 6260, as well as alternative rule changes which are specific to Public Law 96-517 (Alternative A) and to H.R. 6260 (Alternative B).

Discussion of Significant Changes

This rulemaking places into the appropriate sections of Title 37, Code of Federal Regulations, the various fees which are due on filing, during the pendency of a trademark application, or during the life of a registration.

Rule changes for implementing provisions of Public Law 96-517 or H.R. 6260 other than the fee provisions have not been included. Rule changes for implementing provisions other than the fee provisions will be published in a later rulemaking proposal.

Discussion of Specific Sections Changed

The sections changed are grouped in this document under three different categories. Those changes which are common to Public Law 96-517 and H.R. 6260 appear first and are numbered 72-76. The change which relates only to Public Law 96-517 appears as Alternative A and is numbered 77. The change which is dependent upon enactment of H.R. 6260 appears as Alternative B and is numbered 78. The changes common to Public Law 96-517 and H.R. 6260 will become effective on Oct. 1, 1982, whether or not H.R. 6260 is enacted as a Public Law.

* * * * *

Upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, Alternative B will become effective on Oct. 1, 1982, in which case Alternative A will not become effective.

The specific rules for which changes are made are §§ 2.6, 2.85, 2.101, 2.146, 2.162 and 2.167.

Rule Changes Common to Public Law 96-517 and H.R. 6260

Section 2.85, paragraph (e), is amended to delete reference to late filed fees for oppositions and affidavits. The manner in which such fees shall be handled is described in the pertinent sections for affidavits and oppositions.

Section 2.101, paragraph (c), is amended to delete the reference to a service charge which will no longer be charged for late-filed fees for oppositions.

Section 2.146, paragraph (b), is amended to add a fee for filing a petition to the Commissioner. Paragraph (f) of this section which indicates that no fee is required is deleted.

Section 2.162, paragraph (d), is amended to remove the reference to a service charge for late-filed fees on § 8 affidavits.

Section 2.167, paragraph (g), is added to establish procedures relating to the fee for affidavits under § 15, 15 U.S.C. 1065, and to state the Office's action when no fee or an insufficient fee is filed.

* * * * *

Alternative B— Rule Change Only Under H.R. 6260

Section 2.6 is revised to establish the fees recommended by the House of Representatives under H.R. 6260 for filing and processing applications for the registration of trademarks or other marks and for providing services and materials relating to trademarks or other marks. The \$10 fee recommended by the House for certified copies appears in paragraphs (n) and (o) as a fee of \$6.50 for a copy of a registered mark showing title and/or status and a fee of \$3.50 for certification.

Response to Comments on the Rules

Specific comments were received on several of the sections. All of the comments included in the written submissions and the oral testimony were considered in adopting the changes set forth herein.

Written comments were received from three individuals. Oral comments were presented at the hearing on behalf of a patent and trademark law group, the American Patent Law Association, and an organization of trademark owners and lawyers, the United States Trademark Association. One individual spoke on behalf of a law firm and expanded upon the points raised in his previously submitted written comments.

These comments appear below along with responses thereto, where appropriate.

Comment:

The representative of the trademark association spoke favorably about the proposal presented. The organization opposed 100% recovery of trademark costs from user fees. It was felt that such an approach reflected a misconception that trademarks benefit only their owners and not consumers and the economy as a whole. The speaker solicited the assistance of the Patent and Trademark Office in altering this viewpoint.

Comment:

The representative of the bar group questioned the fairness of the Office in establishing the fees under Alternative B. It appeared that the Office had accepted the USTA proposals only where they were higher. In all cases where the USTA recommendations were lower than those proposed, the difference was split. The filing fee was singled out as the most unfair fee.

Reply:

In Alternative B, the rules adopt the fee levels recommended by the House Committee on the Judiciary in House Report No. 97-542. The Report recognizes that the Office needs to recover a certain amount of fee income over the next three years. The application filing fee is expected to furnish more than 60% of the estimated annual income. It could not be reduced further without endangering operations. The reduction from \$200.00 to \$175.00 per class was covered to a large extent by higher fees for other services.

Comment:

The philosophy of H.R. 6260 is to recover no more than 100%. Final fees should recover this level and no more.

Reply:

Projecting processing costs three years in advance can never be absolutely accurate. The Office must have sufficient funds to process anticipated workloads under the fees set during fiscal years 1983-1985 when costs are expected to be somewhat higher than present costs.

Comment:

One suggestion involved retaining Part 4 of 37 CFR, at least for the present. Occasional users of the registration system find it to be a readily available reference. Certain information in the

forms is available from no other source. The speaker believed the time pressures to implement the fee changes precluded proper consideration of the merits of Part 4.

Reply:

The period for comment on deletion of Part 4 has been extended to August 13, 1982 to allow for additional public comment and internal consideration.

Comment:

The suggestion was made that references to affidavits and oppositions should be eliminated from § 2.85(e) as the handling of late filed fees for these items is already covered directly in §§ 2.101(c), 2.162(d) and 2.167(g).

Reply:

This suggestion was implemented.

Comment:

A suggestion was made that §§ 2.101(c), 2.162(d) and 2.167(g) dealing with oppositions and affidavits under Section 8 and Section 15 be amended to require payment of all late filed fees within the time period specified in the notification by the Office.

Reply:

All of the sections state that the affidavit or opposition "will not be refused if the required fee(s) . . . are filed in the Patent and Trademark Office within the time limit set forth in the notification of this defect by the Office." This language is considered sufficient to require payment of all fees or have the opposition, affidavit or declaration refused.

Comment:

One suggestion was made to either cite § 2.6 in all sections being changed relative to fees or to cite it in none.

Reply:

Citations of § 2.6 have been added to § 2.101(c) and § 2.146(b) to conform to § 2.162(d) and § 2.167(g).

Comment:

It was suggested that the fee for a combined section 8 and 15 affidavit needed to be specified in the rules.

Reply:

Section 2.6 has been changed to provide this combined fee.

Discussion of Significant Differences Between Proposed and Final Rules

A number of changes which were made as a result of the comments received and further review of the proposed rulemaking are identified below.

Deletion of Part 4 has been deferred for further comment by Aug. 13, 1982 (see 47 FR 32458, July 27, 1982). As elimination of Part 4 is not essential to the setting of fees, and does not have to be in place 60 days before implementation, it was decided to ask for further public comment.

Section 2.85(e) has been revised to eliminate the references to oppositions and affidavits. Because the handling of late filed fees for these items is specified elsewhere, these references in § 2.85(e) were redundant and confusing.

Both alternatives of § 2.6 have been revised to add a fee for a combined affidavit under sections 8 and 15 of the Act. In order to prevent possible confusion by users of the Trademark system, it was included separately.

Implementation of Specific Rules Changes

The effective date of the trademark fee revisions contained in this rulemaking is Oct. 1, 1982.

* * * * *

The changes which will become effective on October 1, 1982, upon enactment of H.R. 6260 as a Public Law prior to Oct. 1, 1982, are (1) the rule changes common to Public Law 96-517 and H.R. 6260, and (2) the rule changes under H.R. 6260, which appear in Alternative B. The rule changes common to Public Law 96-517 and H.R. 6260 will become effective on Oct. 1, 1982, whether or not H.R. 6260 is enacted as a Public Law prior to Oct. 1, 1982.

* * * * *

Upon enactment of H.R. 6260 as a Public Law prior to October 1, 1982, the rule changes in Alternative B will become

effective on Oct. 1, 1982, in which case the rule changes in Alternative A will not become effective on Oct. 1, 1982. *Any fee which is due and payable on or after Oct. 1, 1982, must be paid in the amount and in accordance with the procedures contained in this rulemaking. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing under § 1.8 will be considered to be the date of receipt in the Office.* In order to ensure clarity in the implementation a discussion of the implementation of Section 2.6 is set forth below:

Implementation of Section 2.6

Fees set forth in Section 2.6 must be paid in the amounts set forth in this section on or after Oct. 1, 1982. Any additional fees which become due under § 2.6 in pending applications on or after Oct. 1, 1982, or which have not been paid prior to Oct. 1, 1982, must be paid in the amounts set forth in this section even though the application was filed prior to Oct. 1, 1982. For example, if an application filed prior to Oct. 1, 1982, is amended on or after Oct. 1, 1982, to include additional classes, the fee set forth in § 2.6(a) must be paid per class added.

Implementation of Certain Sections Deferred for Further Comments

As a result of additional comments presented during the hearing on the proposed trademark fees, the period for written comments on the deletion of Part 4 has also been extended until Aug. 13, 1982, to provide an additional opportunity for interested persons to comment on this proposed change (see 47 FR 32458, July 27, 1982). Since it is not essential that this deletion be published by Aug. 2, 1982, it is appropriate to extend the period for comments. No additional proposal will be published and no additional hearing will be held prior to a decision on whether or not to delete Part 4 as proposed.

Other Considerations Relating to Patent and Trademark Fee Revisions

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

This rule change is in conformity with the requirements of the Regulatory Flexibility Act (Public Law 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et. seq.).

The rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-54) for several reasons. Public Law 96-517 and H.R. 6260 have both taken into consideration the impact they may have on small entities. The fees under Public Law 96-517 are set to recover 50% of patent and trademark processing costs rather than full costs and generally the rate of increase in the fees is less than that of inflation since the last increase in fees in 1965. Further, the rules implementing Public Law 96-517 take into consideration small entities by setting a lower patent filing fee than issue fee to recover the required level of patent processing costs. The lower filing fee permits a small entity to file a patent application for a relatively low cost and not have to pay the higher balance of fees required to achieve Public Law 96-517 recovery levels until examination is complete and it is known that a patent will issue. Under H.R. 6260 and this rulemaking, small entities would be able to pay reduced fees for filing patent applications and for the issuance and maintenance in force of patents. In general, the rule change will also expedite proceedings before the Patent and Trademark Office, changing existing procedures where they can be simplified.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et. seq., since no significant additional record keeping or reporting requirements are placed upon the public. In fact, some paperwork, especially that related to requests for extensions of time, will be reduced.

List of Subjects in 37 CFR Parts 1 and 2

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Nonprofit organizations, Small businesses, Trademarks.

Amendment of Regulations

For the reasons indicated above and pursuant to the authority given to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, and under Sections 31 and 41 of the Trademark Act of July 5, 1946, 15 U.S.C. §§ 1113, and 1123, Parts 1 and 2 of Title 37, Code of Federal Regulations, are amended as set forth below.

July 14, 1982. GERALD J. MOSSINGHOFF,
Commissioner of Patents
and Trademarks.

* * * * *

[Note: H.R. 6260 became Public Law 97-247 on Aug. 27, 1982. Rules that became effective Oct. 1, 1982 are those rules common to Public Law 96-517 and H.R. 6260 and those set forth in Alternative B. The adopted rules are reproduced in the notice entitled "Revision of Patent and Trademark Fees Confirmation," published at 1022 O.G. 21, which is reprinted immediately following this notice.]

[1021 O.G. 19]

(41)Department of Commerce Patent and Trademark Office 37 CFR Parts 1 and 2 [Docket No. 2714-129]

Revision of Patent and Trademark Fees Confirmation

Agency: Patent and Trademark Office, Commerce.

Action: Confirmation of rules.

Summary: This document confirms certain rule changes for patent and trademark fees and fee-related procedures which take effect on Oct. 1, 1982. These rule changes implement H.R. 6260 which was enacted as Public Law 97-247 on Aug. 27, 1982.

Effective Date: Oct. 1, 1982.

For Further Information Contact: As to the patent rules contact: R. Franklin Burnett, by telephone at (703) 557-3054 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: R. Franklin Burnett, Rm. 3-11A13, Washington, D.C. 20231.

As to the trademark rules contact: Miss Maude Williams, by telephone at (703) 557-2222 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: Miss Maude Williams, Rm. 3-11C17, Washington, D.C. 20231.

Supplementary Information: The Patent and Trademark Office is required by law to publish a notice in the Federal Register of its fees at least 60 days before the effective date thereof (35 U.S.C. 41(g)). Thus, on July 30, 1982 a final rule document was published at 47 FR 33086 setting forth rule changes for patent and trademark fees and procedures which take effect on Oct. 1, 1982. The document was based on the public law in effect at that time, Public Law 96-517, and on H.R. 6260, which was then pending but is now Public Law 97-247. The final rule document published on July 30, 1982, in the Federal Register sets out—

(1) rules that are common to both Pub. L. 96-517 and H.R. 6260 (now Pub. L. 97-247);

(2) Alternative A which contains rule changes implementing Pub. L. 96-517 alone; and

(3) Alternative B which contains rule changes implementing H.R. 6260 (now Pub. L. 97-247).

H.R. 6260 was enacted as Public Law 97-247 on Aug. 27, 1982, and the Patent and Trademark Office hereby confirms that the rule changes common to both Pub. L. 96-517 and H.R. 6260 and Alternative B are those which go into effect on Oct. 1, 1982. The rules under Alternative A are hereby withdrawn. Additional rule changes required by Public Law 97-247 will be made the subject of separate rulemakings.

List of Subjects in 37 CFR Parts 1 and 2

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Nonprofit organizations, Small businesses, Trademarks.

Amendment of Regulations

For the reasons set out in the preamble, 37 CFR Parts 1 and 2 are confirmed as being amended by the final rule published on July 30, 1982 at 47 FR 33086 as set forth below.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

Sept. 14, 1982.

1. The rule changes made in Alternative A relating to patents which begin at 47 FR 33107 and in Alternative A relating to trademarks which begin at 47 FR 33112 are hereby withdrawn.
2. Confirmed as effective Oct. 1, 1982 are the rule changes published July 30, 1982 common to Public Law 96-517 and H.R. 6260 (now Public Law 97-247) and Alternatives B. The rule changes relating to patents common to Public Law 96-517 and H.R. 6260 (now Public Law 97-247) were published on July 30, 1982 at 47 FR 33099. The rule changes relating to patents under Alternative B were published at 47 FR 33108. The rule changes relating to trademarks common to Public Law 96-517 and H.R. 6260 (now Public Law 97-247) were published on July 30, 1982 at 47 FR 33111. The rule changes relating to trademarks under Alternative B were published at 47 FR 33112. Corrections to the July 30, 1982 publication were published on Aug. 4 and 5, 1982 at 47 FR 33688 and 33959.

(Text of adopted rules appears in 37 CFR, revised July 1, 1983.)

(42)

**Department of Commerce
Patent and Trademark Office
37 CFR Parts 1, 3 and 4
[Docket No. 2827-167]**

Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent and trademark cases to establish procedures for the payment of fees under § 41 (a) and (b) of Title 35, United States Code, which are reduced by 50 per centum for independent inventors and nonprofit organizations as required by the public law resulting from H.R. 6260. This action is necessary at this time in order that the procedures for paying the reduced fees will be effective on Oct. 1, 1982, the effective date of the changes in the amounts of Patent and Trademark Office fees established by the public law resulting from H.R. 6260. This final rule also deletes Parts 3 and 4 which contain outdated sample forms and corrects a reference to a section which appears in § 1.451.

Effective Date: Oct. 1, 1982.

For Further Information Contact: As to the patent rules contact R. Franklin Burnett by telephone at (703) 557-3054 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: R. Franklin Burnett, Rm. 3-11A13, Washington, D.C. 20231.

As to the trademark rules contact Miss Maude Williams by telephone at (703) 557-2222 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: Miss Maude Williams, Room 3-11C17, Washington, D.C. 20231

Supplementary Information: Notices of proposed rulemaking relating to the revision of patent and trademark fees were

published in the *Federal Register* on June 28, 1982, at 47 FR 28042-28065 and in the *Official Gazette* on June 29, 1982, at 1019 O.G. 57-120. Oral hearings were held on July 9, 1982. Full consideration has been given to all of the letters, statements, and testimony received at the time. A final rule on "Revision of Patent and Trademark Fees" was published on July 30, 1982 at 47 FR 33086-33112 with corrections in the printing thereof being published on Aug. 4, 1982, at 47 FR 33688 and Aug. 5, 1982, at 47 FR 33959. The final rule was also published in the *Official Gazette* on Aug. 10, 1982, at 1021 O.G. 19-94. In view of comments received at the hearings, additional time for comment on the rules covered by this change was given until Aug. 13, 1982. The notice extending the time for comment was published on July 27, 1982 at 47 FR 32458.

This final rule is being adopted as soon as possible after the enactment of the public law resulting from H.R. 6260. The Patent and Trademark Office has determined that the requirement of 5 U.S.C. 553 (d) for publication not less than 30 days before its effective date does not apply to this final rule since it will reduce patent fees for independent inventors and nonprofit organizations.

Objectives of Rule Changes

These rule changes are designed to implement the Patent and Trademark Office fees and procedures which are provided for by the public law resulting from H.R. 6260.

Public Law Resulting From H.R. 6260

The public law resulting from H.R. 6260 provides that funds available under the act "shall be used to reduce by 50 per centum the payment of fees under section 41 (a) and (b) of Title 35, United States Code" by independent inventors, small business concerns, and nonprofit organizations. The public law resulting from H.R. 6260 gives the Commissioner authority to establish regulations defining independent inventors and nonprofit organizations. The public law resulting from H.R. 6260 defines small business concerns by reference to § 3 of the Small Business Act and regulations established by the Small Business Administration. This rulemaking establishes regulations defining independent inventors and nonprofit organizations. The Small Business Administration is establishing the definition of a small business concern for the purpose of paying reduced fees under the public law resulting from H.R. 6260. This rulemaking also establishes the procedures which will be followed by independent inventors and nonprofit organizations when paying the reduced fees. The procedures to be followed by small business concerns when paying the reduced fees will be established in a separate final rule.

Discussion of Specific Sections

The following sections are changed by this final rule, effective Oct. 1, 1982:

Section 1.9, as amended, adds paragraphs (c), (e), and (f) which define "independent inventor" and "nonprofit organizations" as used in Title 37, Code of Federal Regulations, Chapter I. Each of these along with "small business concern" is identified as a "small entity" for purposes of paying fees which are set under § 41 (a) and (b) of Title 35, United States Code, as amended by the public law resulting from H.R. 6260. Paragraph (d) of § 1.9 relates to the definition of small business concern which is being established by the Small Business Administration. Accordingly, proposed paragraph 1.9(d) is not being promulgated at this time.

The public law resulting from H.R. 6260 authorizes the Commissioner to establish regulations defining independent inventors and nonprofit organizations. Section 1.9(c) defines an independent inventor as any inventor who (1) has not assigned, granted, conveyed, or licensed, and (2) is under no obligation under contract or law to assign, grant, convey, or license, any rights in the invention to any person who could not likewise be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization. Once an individual sole inventor, or one of several joint inventors, has assigned, granted, conveyed, or licensed, or comes under an

obligation to assign, grant, convey, or license, any rights to the invention to anyone who could not likewise obtain status as a small entity, the inventor(s) will no longer be entitled to pay fees in the amounts established for an independent inventor (§ 1.9(c)). Section 1.9 (c) will permit an individual inventor to make an assignment, grant, conveyance, or license of partial rights in the invention to another individual or individuals who could qualify as an independent inventor or inventors if they had made the invention. In addition, § 1.9 (c) will permit an individual inventor to make an assignment, grant, conveyance, or license of partial rights in the invention to a small business concern or nonprofit organization. Under the circumstances described in the previous two sentences the individual inventor could still qualify as an independent inventor. However, if the independent inventor assigned, granted, conveyed, or licensed, or came under an obligation to assign, grant, convey, or license, any rights to the invention to any individual or organization which could not qualify as a small entity (§ 1.9 (f)), then the inventor would no longer qualify as an independent inventor.

Proposed section 1.9 (d) relating to the definition of a small business concern is not being promulgated at this time.

Section 1.9(e) defines a nonprofit organization by utilizing and broadening the definition contained in 35 U.S.C. 201 (i). The term "university or other institution of higher education" as used in § 1.9 (e) means an educational institution which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized within the jurisdiction in which it operates to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association. The definition of "university or other institution of higher education" as set forth herein essentially follows the definition of "institution of higher education" contained in 20 U.S.C. 1141(a). Institutions which are strictly research facilities, manufacturing facilities, service organizations, etc., are not intended to be included within the term "other institution of higher education" even though such institutions may perform an educational function or publish the results of their work.

Section 1.9(f) identifies an independent inventor, a small business concern, or a nonprofit organization as a "small entity" for purposes of paying fees set under § 41 (a) and (b) of Title 35, United States Code, as amended by the public law resulting from H.R. 6260. Fees established under § 41 (c) or (d) of Title 35, United States Code, will not be reduced for small entities since such a reduction is not permitted or authorized by the public law resulting from H.R. 6260. Paragraphs (c), (e), and (f) of § 1.9 should be read together with §§ 1.27 and 1.28 which deal with establishing status as a small entity and the effect thereof.

New § 1.27 provides in paragraph (a) that any person seeking to establish as a small entity, as defined in § 1.9(f) for the purpose of paying reduced fees, must file a statement to that small entity. Paragraph 1.27(b) provides specifically for inventors filing statements claiming status as independent inventors. Paragraph 1.27 (c) relating to claiming status as a small business concern is not being promulgated at this time, but will be subject of a separate final rule. Paragraph 1.27 (d) provides for claiming status as a nonprofit organization. Under § 1.27, as long as all of the rights remain in small entities, the fees established for a small entity can be paid. This includes circumstances where the rights were divided between an independent inventor, a small business concern and a nonprofit organization or any combination thereof.

New § 1.28 provides guidance as to the effect of failure to establish, or notify the Office of any change from, small entity status. Paragraph 1.28 (a) provides that once status as a small entity has been established in an application or patent, without the filing of a further verified statement pursuant to § 1.27, unless the Office is notified of a change in status. Under paragraph 1.28(a), status as a small entity in one application or patent does not affect any other application or patent except in applications filed under § 1.60 where a reference is made to a verified statement in a parent application. Paragraph 1.28 (b) requires that notification of any change in status resulting in loss of

entitlement to small entity status be filed in the earliest of the issue fee or any maintenance fee due after the date on which status as a small entity is no longer appropriate. Section 1.28 also provides guidance as to the effect of improperly establishing status as a small entity. The intent of the reduced fees for small entities is to soften the impact of the fee increases under § 41(a) and (b) of Title 35, United States Code, as such sections are amended by the public law resulting from H.R. 6260, upon those who are least able to absorb the increased fees without overall damage to their ability to participate in the patent system through the filing, issuing and maintaining of patents. Accordingly, any attempt to improperly establish status as a small entity will be viewed as a serious matter by the Office and paragraph 1.28(d) indicates that any attempt to fraudulently establish status as a small entity or pay fees as a small entity will be considered as a fraud practiced or attempted on the Office. In addition, improperly and through gross negligence establishing status as a small entity or paying fees as a small entity will be considered as a fraud practiced or attempted on the Office. Normally, the Office will not question a claim to status as a small entity. However, if the Office must resolve such an issue in a question arising before it, the Office will look to the actual or practical status of the individual or organization claiming status as a small entity rather than the professed or apparent status.

Section 1.451, paragraph (b), is amended to correct a reference to another section of the regulations.

Parts 3 and 4 are removed to eliminate all of the patent and trademark forms from the Code of Federal Regulations. The Patent and Trademark Office has prepared a booklet entitled "Patent and Trademark Forms Booklet" which is available for sale to the public from the Superintendent of Documents and which includes full size copies of substantially all the forms in the Code of Federal Regulations in view of the difficulty of keeping such forms is not mandatory.

Discussion of Significant Differences Between Proposed and Final Rules

A number of changes which have been made to §§ 1.9, 1.27 and 1.28 as a result of the comments received and further review of the proposed rulemaking are identified below.

Paragraph (c) of § 1.9 has been changed from that proposed to simplify the definition by removing the words "including (i) the right to make, use, or sell the invention, and (ii) the right to exclude others from making, using, or selling the invention". No change in substance is intended by removing these words since the phrase "any rights in the invention" obviously is inclusive of all rights regardless of how they are, or would be, transferred. The words "or otherwise" have also been removed to simplify the definition without a change in substance.

Paragraph (d) of § 1.9 is not being promulgated by this rule change.

Paragraph (e) of § 1.9 is changed from that proposed by adding the words "located in any country" in item (e) (1) to clarify the fact that a university or other institution of higher education can qualify regardless of location. Paragraph (e) is also changed from that proposed by adding an item (4) to clarify that a nonprofit organization if it could qualify as a nonprofit organization under item (2) or (3) of paragraph (e) "if it were located in this country." Thus, under paragraph (e) of § 1.9 nonprofit organizations will be treated the same for purposes of paying fees regardless of location.

Paragraph (a) of § 1.27 has been changed from that proposed by substituting the words "any fee paid as a small entity". This change is intended to clarify the fact that a verified statement is not required with every fee.

Paragraph (b) of § 1.27 has been changed from that proposed to clarify who is to file the verified statement. The verified statement for a small business concern or nonprofit organization is to be filed by "the owner of the small business concern, or an official of the small business concern or nonprofit organization empowered to act on behalf of the small business concern or nonprofit organization . . ." The term "official" as used in paragraph (b) is intended to include any officer, employee, or part-owner empowered to act on behalf of a small business concern or nonprofit organization. For example, an officer or employee of a corporation empowered to act for the corporation

by its board of directors would be qualified to sign such a verified statement.

Paragraph (c) of § 1.27 relating to claiming status as a small business concern is not being promulgated at this time, but will be the subject of a separate final rule.

Paragraph (d) of § 1.27 has been changed from that proposed in the same manner as paragraph (b) of § 1.27 has also been changed from that proposed by adding a reference to § 1.9 (e)(4).

Paragraph (a) of § 1.28 has been changed from that proposed by adding the words "or patent" in the first and third sentences since the failure to establish status as a small entity could occur in a patent as well as in an application. An exception to the requirement for a verified statement has also been inserted into paragraph (a) of § 1.28 for applications filed under § 1.60 where the status as a small entity has been established in a parent application and is still proper. Under this change in paragraph (a) of proposed § 1.28, the application filed under § 1.60 "must include a reference to a verified statement in a parent application if status as a small entity is still proper and desired."

Paragraph (b) of § 1.28 has been completely rewritten from that proposed to remove the requirement that the notification of a change in status resulting in loss of entitlement to small entity status must be filed prior to paying the next fee due. Instead, paragraph (b) of § 1.28 provides that after establishment of small entity status, "fees as a small entity may thereafter be paid in that application or patent without regard to a change in status until the issue is due or any maintenance fee is due." Paragraph (b) of § 1.28 is also changed from that proposed by removing the sentence stating that payment of any fee as a small entity serves "as a representation that such payment as a small entity is proper at the time the payment is made." This change does not sanction the payment of improper fees, but is no longer necessary in view of another change in paragraph (b) which specifically provides that notification of any change in status resulting in loss of entitlement to small entity status "must be filed in the application or patent prior to paying, or at the time of paying, the earliest of the issue fee or any maintenance fee due after the date on which status as a small entity is no longer appropriate pursuant to § 1.9." The effect of the changes to paragraph (b) of § 1.28 is to permit status to be established and then checked only (1) at the payment of the issue fee and (2) at the time of payment of each maintenance fee. This means that only four checks are required during the pendency and term of a patent after initial establishment of small entity status if such establishment was prior to payment of the issue fee. The last sentence of paragraph (b) has been changed from that proposed by inserting the words "of change in status" after "notification" for clarity.

Paragraph (c) of § 1.28 has been changed from that proposed to require a verified statement explaining how the error in good faith occurred only in situations where the error occurred. This change from paragraph (c) as proposed will reduce paperwork and will provide a three-month grace period to correct errors with no explanations required for correction during that three-month period. The change has also been made to alleviate concerns about paragraph (d) of § 1.28 which is being adopted as proposed.

Response to Comments on the Patent Rules

Specific comments were received on a number of the sections. All of the comments, including the oral testimony and the written comments, were considered in adopting the changes set forth herein.

Written comments on the patent rules and forms affected by this final rule were received from three patent law groups and thirteen individuals. The three patent law groups were (1) the American Patent Law Association; (2) the Patent, Trademark, and Copyright Section of the Virginia State Bar; and (3) the Patent, Trademark and Copyright Law Section of the Bar Association of the District of Columbia.

Oral comments were presented at the hearing on behalf of two patent law groups.

The comments appear below along with replies thereto.

Comment:

One comment suggested that the definition of "independent inventor" be simplified.

Reply:

The definition of "independent inventor" has been simplified without a change in substance by removing the words "including (i) the right to make, use, or sell the invention, and (ii) the right to exclude others from making, using, or selling the invention."

Comment:

One comment suggested that there is no need to include any more than a simplified statement that a "non-profit organization includes a university or other institution of higher education"

Reply:

The suggestion has not been adopted since it is the intent of the rules to delineate as clearly as possible what organizations can qualify as nonprofit organizations without having to expend undue resources deciding each request on a case-by-case basis.

Comment:

One comment suggested that § 1.9(e) discriminates against foreigners and thus violates the principle of national equality set forth in the Stockholm text of the Paris Convention for the Protection of Industrial Property.

Reply:

Section 1.9(e), as promulgated, defines a nonprofit organization in such a way that it is clear that foreigners are not excluded.

Comment:

One comment questioned whether or not government organizations can qualify as nonprofit organizations and more specifically, whether or not a government research facility can qualify under the broad definition of a nonprofit scientific or educational organization. Another comment recommended that § 1.9(e) be expanded to include the U.S. Government in the definition of a "nonprofit organization."

Reply:

Government organizations as such, whether domestic or foreign, cannot qualify as nonprofit organizations as defined in § 1.9(e). Section 1.9(e) was based upon 35 U.S.C. 201(i), as established by Public Law 96-517. The limitation to "an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a))" would by its nature exclude the U.S. government and its agencies and facilities, including research facilities and government corporations. State and foreign governments and governmental agencies and facilities would be similarly excluded. Section 1.9(e) is not intended to include within the definition of a nonprofit organization government organizations of any kind located in any country. A university or other institution of higher education located in any country would qualify, however, as a "nonprofit organization" under § 1.9(e) even though it has some government affiliation since such institutions are specifically included.

Comment:

One comment was directed to, and opposed, Public Law 96-517 and H.R. 6260 rather than the specific provisions of §§ 1.9, 1.27 and 1.28 on the ground that the concept of a self-supporting agency is ill-conceived, shortsighted and wrong.

Reply:

Public Law 96-517 and H.R. 6260 are not issues for consideration in this rule change.

Comment:

One comment asserted that the imposition of different fees depending upon the status of an applicant is unwise, unworkable, and will not "improve the efficiency of the Patent Office", while another comment urged the Office to "disavow the proposal for a two-tier fee system and adopt a different approach to assuring that patent and trademark fees are set so that individual inventors and small businesses can continue to obtain the protection of the patent and trademark system." Another comment supported the two-tier fee system, particularly as related to universities.

Reply:

The imposition of different fees is a legislative mandate imposed by the public law resulting from H.R. 6260 and is not an issue for consideration in this rule change.

Comment:

Four comments expressed concern that small entity status is required to be confirmed each time a fee as a small entity is paid. Alternative procedures which involve (1) confirming status at the time of filing and at the time the issue fee is paid, or (2) allowing a statement of status to hold for a period of time were recommended.

Reply:

The last sentence in § 1.27(a) states that "[s]uch a verified statement need only be filed once in an application or patent and remains in effect until changed." It was not intended that such statements would be required each time a fee is paid. In order to clarify § 1.27(a), the first sentence has been changed to require the statement prior to or with the first fee paid as a small entity. Thereafter, notice is only required where a change in status occurs. In addition, § 1.28(b) has been rewritten to provide that "[o]nce status as a small entity has been established in an application or patent, fees as a small entity may thereafter be paid in that application or patent without regard to a change in status until the issue fee is due or any maintenance fee is due."

Comment:

One comment suggested that a paragraph 1.27(e) be added which would require confirmation of small entity status at the time of paying the patent issue fee and each maintenance fee and that this be done by a statement which designates the applicant's small entity status as of the close of the last fiscal year next preceding the date of the statement.

Reply:

The suggested paragraph has not been added. However, paragraph (b) of § 1.29 has been completely rewritten to permit status to be established and then checked only (1) at the payment of the issue fee and (2) at the time of payment of each maintenance fee. Instead of requiring papers to be filed confirming status as suggested in the comment, the rules as adopted require that "[n]otification of any change in status resulting in loss of entitlement to small entity status must be filed in the application or patent prior to paying, or at the time of paying, the earliest of the issue fee or any maintenance fee due after the date on which status as a small entity is no longer appropriate pursuant to § 1.9." Paragraph (b) of § 1.28, as promulgated, is considered preferable to the suggested paragraph (e) of § 1.27 since it will eliminate the filing of a confirming statement where there has been no change in status as a small entity. This reduces unnecessary paperwork.

Comment:

One comment suggested that verified statements of small entity status need not be filed in Rule 60 applications.

Reply:

The suggestion was adopted and is reflected by the change in § 1.28(a). In such applications, it will be sufficient to include a reference to a verified statement establishing small entity status in a parent application if status as a small entity is still proper and desired.

Comment:

One comment suggested that proposed paragraph 1.28(b) be amended by inserting the words "believed to be" after "small entity is" in the second sentence.

Reply:

Paragraph (b) of § 1.28 as promulgated does not contain the sentence to which the suggestion is directed.

Comment:

One comment suggested that paragraph (c) of § 1.28 be amended by deleting the word "verified" so that a statement explaining how an error in good faith occurred can be made "on the basis of information and belief."

Reply:

The suggestion has not been adopted. However, paragraph (c) of § 1.28 as promulgated permits the correction of errors without a verified statement if the correction is accomplished within three months after the date the error occurred.

Comment:

Three comments expressed concern about the provision dealing with fraud on the Patent and Trademark Office because of some questionable act in connection with paying fees as a small entity and indicated that some persons have raised a question as to the Office's authority to designate the payment of a lesser fee as fraud. The comments suggested that proposed § 1.28 be withdrawn and turned over to an ad hoc group of Patent and Trademark Office officials and practitioners for immediate examination and timely comment.

Reply:

The period for comments was extended until Aug. 13, 1982, as an alternative to, and in response to, the suggestion that § 1.28 be withdrawn and turned over to an ad hoc committee. The extended period for comments has now expired and all com-

ments which have been received have been carefully considered. In response to the statement that some persons have raised a question regarding the Office's authority to designate payment of a lesser fee as fraud, no authority has been cited which would establish or suggest that the Office does not have the authority to adopt this section. Paragraph (d) of § 1.28 has been strictly limited to those situations in which there is an attempt to fraudulently establish entity, or improperly and through gross negligence establish status or pay fees as a small entity. Paragraph (d) of § 1.28 is clearly within the rule-making authority provided to the Commissioner pursuant to 35 U.S.C. 6 to protect the integrity of the system established by the public law resulting from H.R. 6260, whereby fees are reduced for small entities. In order to alleviate the concerns expressed about paragraph (d) of § 1.28, paragraph (c) of § 1.28 has been changed from that proposed to require a verified statement explaining how the error in good faith occurred only in situations where the error is not corrected within three months of the date on which the error occurred. This three-month grace period to correct errors with no explanations required for correction during that three-month period should reduce the concern about paragraph (d) of § 1.28.

Comment:

One comment by an attorney (1) objected to and requested removal of the second sentence of § 1.28(d) because he has to rely on the information provided by the client and does not have the facilities to check the reliability of information the client provides relating to the client's status as a small entity, and (2) raised the question as to how much investigation any attorney or other individual must make in order to avoid being guilty of "gross negligence" under § 1.28(d).

Reply:

The rules do not authorize an attorney to sign a verified statement establishing status as a small entity on behalf of a client. The client has to sign the verified statement. Paragraph (b) of § 1.27 requires that any verified statement filed on behalf of an independent inventor must be signed by the independent inventor except as provided in §§ 1.42, 1.43, or 1.47. Paragraph (d) of § 1.27 requires that any verified statement filed on behalf of a nonprofit organization must be signed by an official of the nonprofit organization empowered to act on behalf of the organization. The intent of paragraphs (b) and (d) of § 1.27 is that the verified statement be signed by the person in the best position to know the facts as to whether or not status as a small entity can be properly established. Insofar as the attorney's irresponsibilities and duty to investigate are concerned, these do not differ from those presently owed the Office under §§ 1.56, 1.346, and 1.555.

Comment:

One comment suggested that paragraph (d) of § 1.28 be replaced by a provision under which a "stiff fine" would be assessed against "a wrongdoer who has not paid fees in good faith."

Reply:

The suggestion has not been adopted. Assessing a fine as the only penalty against "a wrongdoer who has not paid fees in good faith" might tend to encourage the payment of incorrect fees on the theory that it is unlikely that such a matter would be brought to the attention of the Office.

Comment:

Three comments opposed the proposed deletion of Part 3 for the reasons that (1) it is useful to have an up-to-date set of forms and (2) there does not seem to be a pressing need to delete the forms.

Reply:

The Patent and Trademark Office has prepared a booklet entitled "Patent and Trademark Forms Booklet" which includes full size copies of substantially all of the forms in Part 3. Since the forms currently in Part 3 are not "up-to-date" as was suggested in the comment, no present need is seen to maintain Part 3.

Response to Comments on the Trademark Rules

Specific comments were received on the proposed deletions of Part 4. All of the comments included in the written submissions and the oral testimony were considered.

Written comments were received from four individuals. Oral comments restating previously submitted written comments on

Part 4 were presented by one individual on behalf of his law firm.

These comments appear below along with replies thereto.

Comment:

One comment stated that there are rules in Part 4 which are not set forth elsewhere. Such guidelines and information include, among others, the types of commerce on which an application may be based and a requirement for the use of bond paper for typed drawings.

Reply:

Part 4 does not really carry the effect of rules because the forms are not mandatory, but are merely illustrative. The information referred to by this individual can be found elsewhere, such as in the Trademark Manual of Examining Procedure. Furthermore, despite the fact that the forms do not carry the force of rules, any correction or modification to them requires the cumbersome and time-consuming processes that are associated with a rules change.

Comment:

Several comments reflected the opinion that some attorneys, particularly those who do not specialize in trademark matters, may rely on the forms that appear in Part 4. It was believed that these individuals may not have or be aware of the compilation of forms identified as the "Patent and Trademark Office Forms Booklet." In the absence of such forms in Part 4, these individuals may devise their own application formats. Such a practice would result in increased informalities which, in turn, would result in unnecessary correspondence and delayed prosecution. In addition, the commenters believed that the number of written and oral inquiries to the Office of the Director of the Trademark Examining Operation would increase dramatically.

Reply:

The Office of the Director of the Trademark Examining Operation currently has a general information telephone line to answer inquiries and to accept requests for trademark application forms and related literature. While the Office of the Director indicates the availability of the forms booklet to many callers, copies of the appropriate trademark application form are sent to those individuals who request them. It is more likely that an individual who is unaware of the trademark application form would call the Office of the Director to request an application form than create one for the particular purpose.

Comment:

One individual, aware of the Office's plans for automation of the trademark program, saw the present deletion of the forms to be inappropriate. This individual felt that the deletion of the forms at this point would signal to the user community that the Office no longer had any interest in receiving applications in any particular format. To take such a position within a year or two of the introduction of a rigidly standardized application format was, in the opinion of this commenter, unwise. The adoption of a machine-readable application form would require greater, rather than diminished, reliance on a prescribed format.

Reply:

Within the next year or two, the Office will begin experimenting with the use of optical character recognition (OCR) equipment to automate the current data capture processes. Trademark application formats that are compatible with this equipment are likely to require special sizing and printing and, as such, are not acceptable for reduced size printing in the Code of Federal Regulations. If the existing forms were to be maintained in Part 4, they would remain available for use by applicants. As a result, the implementation of the new standardized application formats would be made more difficult.

Comment:

One commenter believed that since the next reprinting of Volume 37 of the Code of Federal Regulations will be in July, 1983, there is no pressing need to eliminate Part 4 at this time. This individual felt that users of the trademark registration system should be given additional opportunity to consider the significance of removing Part 4.

Reply:

Only four comments have been received on the deletion of Part 4. The elimination of Part 4 at this time will guarantee that the forms do not appear in the 1983 reprinting of the CFR. Of course, they will appear in the 1982 version of the CFR booklet and will be available until the new edition is published. In this matter, future access to these forms will be limited and those

requiring help may contact the Office and receive the proper trademark forms.

Implementation of §§1.9, 1.27, and 1.28

Status as a small entity can be established in any application or patent for which a fee is due on or after Oct. 1, 1982, and in which small entity status is available and desired.

Other Considerations Relating to Patent and Trademark Fee Revisions

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

This rule change is in conformity with the requirements of the Regulatory Flexibility Act (Public Law 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et. seq.*).

The rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) for several reasons. The public law resulting from H.R. 6260 has taken into consideration the impact the increase in fees may have on small entities. Under the public law resulting from H.R. 6260 and this rulemaking, small entities will be able to pay reduced fees for filing patent applications and for the issuance and maintenance in force of patents. In general, the rule change will also expedite proceedings before the Patent and Trademark Office, changing existing procedures where they can be simplified.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et. seq.*, since no significant additional record keeping or reporting requirements are placed upon the public.

List of Subjects in 37 CFR Parts 1, 3 and 4

Administrative practice and procedure, Colleges and universities, Courts, Fraud, Inventions and patents, Nonprofit organizations, Small businesses, Trademarks.

(Text of adopted rules appears in 37 CFR, revised July 1, 1983.)

GERALD J. MOSSINGHOFF,

Aug. 26, 1982. *Commissioner of Patents and Trademarks.*

[1022 OG 29]

(43)

Department of Commerce Patent and Trademark Office 37 CFR Part 1 [Docket No. 2909-187]

Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce

Action: Final rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent and trademark cases to establish a definition and procedures for the payment of fees under section 41(a) and (b) of Title 35, United States Code, by small business concerns as required by Pub. L. 97-247. This action adopts the definition of a "small business concern" for purposes of paying patent fees established by the Small Business Administration and is necessary at this time in order that the procedures for paying reduced fees will be effective on Oct. 1, 1982, the effective date of the changes in the amounts of Patent and Trademark Office fees established by Pub. L. 97-247.

Effective Date: Oct. 1, 1982

For Further Information Contact: R. Franklin Burnett by telephone at (703) 557-3054 or by mail addressed to the Commissioner of Patents and Trademarks, Attention: R. Franklin Burnett, Room 3-11A13, Washington, D.C. 20231.

Supplementary Information: A notice of proposed rulemaking was published in the Federal Register on June 28, 1982, at 47 FR 28042-28063 and in the *Official Gazette* on June 29, 1982, at 1019 O.G. 57-120. Oral hearings were held on July 9, 1982. Full consideration has been given to all of the letters, statements, and testimony received at the time. A final rule on "Revision of Patent and Trademark Fees" was published on July 30, 1982 at 47 FR 33086-33112 with corrections in the printing thereof being published on Aug. 4, 1982, at 47 FR 33688 and on Aug. 5, 1982 at 47 FR 33959. The final rule was also published in the *Official Gazette* on Aug. 10, 1982, at 1021 O.G. 19-94. In view of comments received at the hearings, additional time for comment on certain rules, including those covered by this change, was given until Aug. 13, 1982. The notice extending the time for comment was published on July 27, 1982 at 47 FR 32458. A final rule relating to definitions of "independent inventor" and "nonprofit organizations" was published on Sept. 10, 1982 at 47 FR 40134-40140.

Objectives of Rule Changes

These rule changes are designed to implement the Patent and Trademark Office fees and procedures which are provided for by Pub. L. 97-247.

Public Law 97-247

Pub. L. 97-247, signed Aug. 27, 1982, provides that funds available under the act "shall be used to reduce by 50 per centum the payment of fees under section 41(a) and (b) of title 35, United States Code" by independent inventors, small business concerns, and nonprofit organizations. The Commissioner has established regulations defining independent inventors and nonprofit organizations. Pub. L. 97-247 defines small business concerns by reference to Section 3 of the Small Business Act and regulations established by the Small Business Administration. The Small Business Administration has now established the definition of a small business concern for the purpose of paying reduced fees under Pub. L. 97-247. That definition is hereby incorporated into the patent rules of practice in § 1.9(d). This rulemaking also establishes the procedures which will be followed by small business concerns when paying the reduced fees.

Discussion of Specific Sections

The following sections are changed by this final rule, effective Oct. 1, 1982:

Section 1.9, as amended, adds paragraph (d) which defines small business concern as used in Title 37, Code of Federal Regulations, Chapter I. A small business concern is identified as a "small entity" for purposes of paying fees which are set under section 41(a) and (b) of Title 35, United States Code, as amended by Pub. L. 97-247.

Section 1.9(d) defines a small business concern by reference to and incorporation of § 121.3-18 of Title 13, Code of Federal Regulations. A small business concern is defined therein as any business concern (1) whose number of employees, including those of its affiliates, does not exceed 500 persons and (2) which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey, or license, any rights in the invention to any person who could not be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization under this section. The section further defines affiliates of concerns and defines also the terms "employees" and "number of employees." Concerns are affiliates of each other when either, directly or indirectly, one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. The number of employees a business concern has is determined by counting the number of persons of the concern and its affiliates employed on a full-time, part-

time or temporary basis during the previous fiscal year of the concern and of its affiliates. The number of employees is the average over the fiscal year of the persons employed during each of the pay periods of the fiscal year. Business concerns located in any country which meet the small business definition and which comply with the applicable procedures can qualify as a "small business concern". Under the definition, a small business concern would no longer qualify as a small business concern if any rights were assigned to any individual or concern which could not qualify as a small entity pursuant to § 1.9(f), or if the concern came under an obligation to assign any rights to any individual or concern which could not qualify as a small entity.

Section 1.9(d) also incorporates paragraph (b) of 13 CFR 121.3-18 which provides for appeals to the Small Business Administration from Patent and Trademark Office adverse initial size determinations.

Paragraph 1.27(c) provides for claiming status as a small business concern. Any person seeking to establish status as a small entity, for the purpose of paying reduced fees, must file a statement to that effect prior to or with the payment of the first fee paid as a small entity. Under § 1.27, as long as all of the rights remain in small entities, the fees established for a small entity can be paid. This includes circumstances where the rights were divided between an independent inventor, a small business concern and a nonprofit organization or any combination thereof.

A number of changes which have been made to §§ 1.9 and 1.27 as a result of the comments received and further review of the proposed rulemaking are identified below.

Paragraph (d) of § 1.9 has been changed from that proposed so as to incorporate into § 1.9(d), the definition established by the Small Business Administration in § 121.3-18 of Title 13, Code of Federal Regulations. The definition differs from that proposed in specifying the number of employees constituting a small business concern and specifying that the concern must be one which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey or license any rights in the invention to any person or concern which could not be classified as an independent inventor, small business concern, or nonprofit organization.

Paragraph (c) of § 1.27 has been changed from that proposed to clarify who is to file the verified statement. The verified statement for a small business concern is to be signed by "the owner or an official of the small business concern empowered to act on behalf of the concern." The term "official" as used in paragraph (c) is intended to include any officer, employee, or part-owner empowered to act on behalf of a small business concern. For example, an officer or employee of a corporation empowered to act for the corporation by its board of directors would be qualified to sign such a verified statement.

Response to Comments on the Patent Rules

Specific comments were received on a number of the sections. All of the comments, including the oral testimony and the written comments, were considered in adopting the changes set forth herein.

Written comments on the rules affected by this final rule were received from three patent law groups and a number of individuals. The three patent law groups were (1) the American Patent Law Association; (2) the Patent, Trademark, and Copyright Section of the Virginia State Bar; and (3) the Patent, Trademark and Copyright Law Section of the Bar Association of the District of Columbia.

Oral comments were presented at the hearing on behalf of two patent law groups.

The comments appear below along with replies thereto.

Comment:

Two comments urged that in view of the "exceedingly complex" definitions of a "small business" in 13 CFR 121.3, the patent system and those associated with it would be best served by setting forth clear guidelines as to whether or not a business qualifies as a small business without reference to the Small Business Act and without incorporation by reference of "the too many pages of SBA regulatory definition."

Reply:

Pub. L. 97-247 specifically refers to section 3 of the Small Business Act and regulations established by the Small Business Administration for determining whether or not a business con-

cern qualifies as a small business concern. Pub. L. 97-247 therefore does not permit the establishment of guidelines without reference to the Small Business Act and regulations established by the Small Business Administration. Section 1.9(d), however, does incorporate the definition as established in § 121.3-18 of Title 13, Code of Federal Regulations. This will enable persons to utilize § 1.9(d) without also referring to a copy of Title 13, CFR.

Comment:

One comment argued that § 1.27 should be corrected or clarified to indicate that a small business concern would be entitled to the 50 percent fee reduction even though it may grant a non-exclusive or even an exclusive license to some non-small entity.

Reply:

The suggestion has not been adopted. Section 1.27 requires that the concern qualify as a small business concern as defined in § 1.9(d). Section 1.9(d) defines a small business concern by incorporating 13 CFR 121.3-18, which in turn defines a small business concern as one not exceeding a particular size which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey or license, any rights in the invention to any person who could not be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization under this section." The intent of both 13 CFR 121.3-18 and 37 CFR 1.9(d) and 1.27(c) is to limit the payment of reduced fees under section 41 (a) and (b) of Title 35, United States Code, to those situations in which all of the rights in the invention are owned by small entities, i.e., independent inventors, small business concerns, or nonprofit organizations. To do otherwise would be clearly contrary to the intended purpose of the legislation which contains no indication that fees are to be reduced in circumstances where rights are owned by non-small entities. Adopting the suggestion might, for example, permit a non-small entity to transfer patent rights to a small business concern which would pay the reduced fees and grant an exclusive license to the non-small entity.

Comment:

One comment suggested that the specific Small Business Administration regulations which are applicable be specified in § 1.9(d).

Reply:

The definition of a small business concern as established by the Small Business Administration is now incorporated into § 1.9(d).

Implementation of §§ 1.9 and 1.27

Status as a small entity can be established in any application or patent for which a fee is due on or after Oct. 1, 1982, and in which the individual inventor, small business concern, or nonprofit organization meets the qualifications established for small entity status.

Other Considerations Relating to Patent and Trademark Fee Revisions

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

This rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*).

The rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) for several reasons. Pub. L. 97-247 has taken into consideration the impact the increase in fees may have on small entities. Under Pub. L. 97-247 and this rulemaking, small entities will be able to pay reduced fees for filing patent applications and for the issuance and maintenance in force of patents.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers,

individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, since no significant additional record keeping or reporting requirements are placed upon the public.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Inventions and patents, Small businesses.

Amendment of Regulations

For the reasons indicated above and pursuant to the authority given to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, and Pub. L. 97-247, Part 1 of Title 37, Code of Federal Regulations, is amended as set forth below.

PART 1—RULES OF PRACTICE IN PATENT CASES

1. Section 1.9 is amended by adding a new paragraph (d) to read as follows:

§ 1.9 Definitions.

* * * * *

(d) A small business concern as used in this chapter means any business concern as defined by the Small Business Administration in 13 CFR 121.3-18, published on September 30, 1982 at 47 FR 43273. For the convenience of the users of these regulations, that definition states:

§ 121.3-18 Definition of small business for paying reduced patent fees under Title 35, U.S. Code

(a) Pursuant to Pub. L. 97-247, a small business concern for purposes of paying reduced fees under 35 U.S. Code 41 (a) and (b) to the Patent and Trademark Office means any business concern (1) whose number of employees, including those of its affiliates, does not exceed 500 persons and (2) which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey or license, any rights in the invention to any person who could not be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization under this section. For the purpose of this section concerns are affiliates of each other when either, directly or indirectly, one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. The number of employees of the business concern is the average over the fiscal year of the persons employed during each of the pay periods of the fiscal year. Employees are those persons employed on a full-time, part-time or temporary basis during the previous fiscal year of the concern.

(b) If the Patent and Trademark Office determines that a concern is not eligible as a small business concern within this section, the concern shall have a right to appeal that determination to the Small Business Administration. The Patent and Trademark Office shall transmit its written decision and the pertinent size determination file to the SBA in the event of such adverse determination and size appeal. Such appeals by concerns should be submitted to the SBA at 1441 L Street, NW., Washington, D.C. 20416 (Attention: SBA Office of General Counsel). The appeal should state the basis upon which it is claimed that the Patent and Trademark Office initial size determination on the concern was in error; and the facts and arguments supporting the concern's claimed status as a small business concern under this section.

2. Section 1.27 is amended by adding a new paragraph (c) to read as follows:

§ 1.27 Statement of status as small entity.

* * * * *

(c) Any verified statement filed pursuant to paragraph (a) of this section on behalf of a small business concern must (1) be signed by the owner or an official of the small business concern empowered to act on behalf of the concern; (2) aver that the concern qualifies as a small business concern as defined in {g49 1.9(d); and (3) aver that exclusive rights to the invention have been conveyed to and remain with the small business concern, or if the rights are not exclusive, that all other rights belong to small entities as defined in § 1.9. Where the rights of the small business concern as a small entity are not exclusive, a verified statement must also be filed by the other small entities having rights averring to their status as such.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

Sept. 23, 1982.

[FR Doc.82-26941 Filed 9-29-82; 8:45 am]
BILLING CODE 3610-16- M

SMALL BUSINESS ADMINISTRATION
13 CFR Part 121

**Definition of Small Business for Paying Reduced Patent Fees
Under Title 35, United States Code**

Agency: Small Business Administration.

Action: Final rule.

Summary: The Small Business Administration in conjunction with the Patent and Trademark Office is establishing a definition of small business for the purpose of paying patent fees under section 41 (a) and (b) of Title 35, United States Code, which are reduced by 50 per centum for small business concerns as required by Pub. L. 97-247. The definition would be implemented by the Patent and Trademark Office, which has recently published its regulations on the fee reduction procedures (47 FR 40134, Sept. 10, 1982).

Effective Date: Oct. 1, 1982.

For Further Information Contact: R. Franklin Burnett (703) 557-3054. Harvey Bronstein (202) 653-6373.

Supplementary Information: Pub. L. 97-247 provides that funds available under the Act to the Patent and Trademark Office "shall be used to reduce by 50 per centum the payment of fees under Section 41 (a) and (b) of Title 35, United States Code, by small business concerns as defined in Section 3 of the Small Business Act and by regulations established by the Small Business Administration."

A notice of proposed rulemaking relating to the definition of a small business was published in the *Federal Register* on Aug. 31, 1982 (47 FR 38331). The regulation being issued is the same as that which was proposed. In order to be a small business, the number of employees of the concern, including those of its affiliates, may not exceed 500 persons. Concerns are affiliates of each other when either, directly or indirectly, one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. The number of employees of a business concern is determined by counting the number of persons of the concern and its affiliates employed on a full-time, part-time or temporary basis during the previous fiscal year of the concern and of its affiliates. The number of employees is the average over the fiscal year of the persons employed during each of the pay periods of the fiscal year.

The definition also requires a small business for this purpose to be one which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey, or license, any rights in the invention to any person who could not be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization under this section."

Discussion of Comments

One comment from the American Patent Law Association, whose membership includes several thousand lawyers involved

in the practice of law before the U.S. Patent and Trademark Office, expressed "no comment regarding the definition" and expressed "[t]hanks for all that's been done toward a hopefully workable definition." The remaining comments were from individual patent attorneys rather than comments on behalf of any organization.

Two comments raised questions about the intended scope of the term "license." It was suggested that clarification is needed as to what is included within the scope of the term. One comment suggested that, "[a]t the very least, the record should reflect that the definition is not intended to reach implied licenses to use and resell patented articles purchased from a small business." The comment is correct insofar as it suggests that such "implied licenses" are not intended to be included within the scope of the term. Likewise, an order by the applicant to a firm to build a proto-type machine or product for the applicant's own use is not considered to constitute a license for purposes of the definition.

Another suggestion was that the regulation be reworded to deny small business status where revenue above a certain dollar amount was received from licensing rights under the invention to a concern which could not qualify as a small entity. It was also suggested that the term "exclusive license of any of the rights in the invention" be used instead of the term "license." The latter two suggestions have not been adopted. Adoption of these suggestions would cause the regulation to become more complicated, and does not appear necessary to aid small concerns in accord with the purposes of the legislation. In addition, it could substantially broaden the number of concerns which could qualify with a resulting excessive loss of revenue to the Patent and Trademark Office. It is not seen likely that the restriction on licensing would unduly or adversely affect the ability of the small business concern to participate in the patent system.

Another comment which was made related to a firm which is a subsidiary of a university or other nonprofit organization. The suggestion was made that the number of employees of the university or other nonprofit affiliate be excluded from consideration in determining whether or not the business concern qualifies as a small business concern. The suggestion has not been adopted since the situation raised is already treated under the definition of nonprofit organization established by the Patent and Trademark Office on Sept. 10, 1982, at 47 FR 40134-40140. Under that Patent and Trademark Office regulation, a wholly owned subsidiary of a nonprofit or university is considered a part of the university or nonprofit and thus is already eligible for the fee reduction.

One comment suggested that the regulation contain language specifying that concerns meeting its requirements are also independently owned and operated and not dominant in their field of operation under the Small Business Act. It is not necessary to include this language since this regulation already contains an affiliation test for this purpose; and it is generally unlikely that a small concern would be found to be dominant. The legislative history of the Small Business Act indicates that "The mere fact that a small business makes a particular product or item and is dominant in its field with respect to the particular product or item is not intended to disqualify it from the benefits of this Act * * * (House Report 494, 83rd Congress, 1st Session 1953). SBA Size Appeals Board precedents have consistently stated that dominance under the Act and the SBA regulations is not viewed in narrow industry subdivisions. It, therefore, does not appear that concerns defined as small business under this provision would be dominant within the meaning of the Small Business Act.

Another comment suggested that foreign concerns should not be eligible as small business under this provision. Since this patent legislation was enacted by the Congress with knowledge of the Paris Convention for the Protection of Industrial Property, there is no indication that Congress intended that foreign small business not be eligible for the fee reduction. It is the view of the Patent and Trademark Office that excluding foreign small concerns would violate U.S. treaties in the patent area.

This comment also questioned whether the Patent and Trademark Office should make initial size determinations, or whether they could more appropriately be made by SBA. Since the fee reduction procedure is part of the patent application and of other Patent and Trademark Office actions and may involve Patent law questions, it would be administratively infeasible to have

initial size determinations made by the SBA. The Patent and Trademark Office recently issued regulations (Sept. 10, 1982, 47 FR 40134) which set forth the fee reduction procedures.

Other Considerations Relating to the Rulemaking

Environmental, energy, and other considerations: The rule will not have a significant impact on the quality of the human environment or the conservation of energy resources.

Small business concerns will be benefited by the rule. The proposed rule will not have a significant economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). Public Law 97-247 has taken into consideration the impact it may have on small entities and has reduced the fees, therefore, by 50 per centum.

The Small Business Administration has determined that this rule is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., since no significant additional record keeping or reporting requirements are placed upon the public.

List of Subjects in 13 CFR Part 121

Small businesses, Inventions and patents.

PART 121—SMALL BUSINESS SIZE STANDARDS

Accordingly, pursuant to Section 3 of the Small Business Act and Pub. L. 97-247, Part 121 of Title 13 of the Code of Federal Regulations is amended by adding § 121.3-18 to read as follows:

§ 121.3-18 *Definition of small business for paying reduced patent fees under Title 35, U.S. Code.*

(a) Pursuant to Pub. L. 97-247, a small business concern for purposes of paying reduced fees under 35 U.S. Code 41 (a) and (b) to the Patent and Trademark Office means any business concern (1) whose number of employees, including those of its affiliates, does not exceed 500 persons and (2) which has not assigned, granted, conveyed, or licensed, and is under no obligation under contract or law to assign, grant, convey or license, any rights in the invention to any person who could not be classified as an independent inventor if that person had made the invention, or to any concern which would not qualify as a small business concern or a nonprofit organization under this section. For the purpose of this section concerns are affiliates of each other when either, directly or indirectly, one concern controls or has the power to control the other, or a third party or parties controls or has the power to control both. The number of employees of the business concern is the average over the fiscal year of the persons employed during each of the pay periods of the fiscal year. Employees are those persons employed on a full-time, part-time or temporary basis during the previous fiscal year of the concern.

(b) If the Patent and Trademark Office determines that a concern is not eligible as a small business concern within this section, the concern shall have a right to appeal that determination to the Small Business Administration. The Patent and Trademark Office shall transmit its written decision and the pertinent size determination file to the SBA in the event of such adverse determination and size appeal. Such appeals by concerns should be submitted to the SBA at 1441 L Street, NW., Washington, D.C. 20416 (Attention: SBA Office of General Counsel). The appeal should state the basis upon which it is claimed that the Patent and Trademark Office initial size determination on the concern was in error and the facts and

arguments supporting the concern's claimed status as a small business concern under this section.

Sept. 23, 1982. ROBERT B. WEBBER,
Acting Administrator.

[FR Doc. 82-20940 Filed 9-29-82; 8:45 am]
BILLING CODE 8025-01-M

[1023 O.G. 23]

(44)

Department of Commerce Patent and Trademark Office 37 CFR Part 1 [Docket No. 31-201-229]

Revision of Patent Practice

Agency: Patent and Trademark Office, Commerce

Action: Final Rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases, Part 1 of 37 CFR, to clarify the practice under certain sections of Public Law 97-247 of 1982 and to make certain other changes and clarifications in practice which have been found desirable after some experience. The rulemaking changes the practice under §§ 1.27 and 1.28 with regard to subsequently establishing small entity status and qualifying for a refund of fees paid in full. The changes in other rules clarify and improve the practice in certain areas.

Effective Date: Apr. 1, 1984

For Further Information Contact: R. Franklin Burnett by telephone at (703) 557-3054 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to 1) clarify the small entity status of independent inventors, small business concerns and nonprofit organizations having funding agreements with a federal governmental agency as defined in 35 U.S.C. 202(c) (4); 2) rewrite § 1.28 to provide a system for obtaining a refund of a portion of a fee paid in full when small entity status is established within two months of the date of such payment; 3) provide that a separate statement establishing small entity status is not required in an application filed under § 1.62 when such status has been established in the parent application; and 4) modify certain other rules to clarify practice.

New § 1.21(1) establishes a fee for processing and retaining any application which is abandoned for failing to complete the application pursuant to § 1.53(d). This new paragraph, as well as the changes to §§ 1.53 and 1.78, indicate that in order to obtain benefit of a prior U.S. application, either the basic filing fee or the processing and retention fee of § 1.21(1) must be paid. Section 1.53(d) further establishes that the application will be disposed of if the required fee is not paid within a set period. Section 1.56(b) requires submission of copies of foreign patent documents, non-patent publications, or other non-patent items of information disclosed pursuant to the duty to disclose. New § 1.191(d) clarifies that § 1.136 applies in patent applications and that § 1.550(c) applies in reexamination proceedings to all time periods set forth in §§ 1.191-1.194, 1.196 and 1.197.

Discussion of Specific Rules and Significant Differences Between Proposed and Final Rules:

Section 1.5, paragraph (a) is amended to remove a reference to § 1.55, which is no longer appropriate and to clarify how letters to the Office are to be identified.

Section 1.6 is amended as proposed to clarify the manner in which letters and papers, including fees, filed in accordance with § 1.10 by "Express Mail" are date stamped when received in the Patent and Trademark Office. Such letters and papers, which comply with § 1.10, will be stamped with the date of deposit as "Express Mail" with the United States Postal Service unless the date of deposit is a Saturday, Sunday or federal holiday within the District of Columbia, in which case the date stamped will be the next succeeding day which is not a Saturday, Sunday, or a federal holiday within the District of Columbia. No papers

are received in the Patent and Trademark Office on Saturdays, Sundays, or federal holidays within the District of Columbia.

Section 1.10, paragraphs (a) and (c), are amended to clarify that papers deposited as "Express Mail" on a Saturday, Sunday, or a federal holiday within the District of Columbia will be stamped with the date of the next succeeding day which is not a Saturday, Sunday, or a federal holiday within the District of Columbia. A cross reference to § 1.6(a) has also been added to the rule. This change was not contained in the notice of proposed rulemaking but is being made to avoid confusion and to ensure that the Office's practice in date-stamping of papers is clearly understood. The change was suggested by a comment received on the proposed rules.

Section 1.14 is amended as proposed to revise paragraph (b) to clarify that only complete patent applications as defined in § 1.51(a) which become abandoned will be retained for a period of twenty years from the filing date. Incomplete applications will be retained as provided in §§ 1.21 and 1.53.

Section 1.19, paragraph (b)(3), is amended as proposed to clarify that only copies made from Office records, but not prepared by the Office, will be compared with the original prior to certification of the copies. The Office will not compare copies made from some other copy or record with Office records for purposes of certification. The stated charge of ten cents per page would not be sufficient to make a word-by-word comparison. The requirements of the public appear to still be served by limiting the use of the comparison fee to Office records.

Section 1.21 is amended as proposed to revise paragraph (b) (2) and establish a new paragraph (1). The change in paragraph (b) (2) is in accord with the change § 1.25 (a). New paragraph (1) provides a fee for processing and retaining any application which is abandoned pursuant to § 1.53(d). Such applications have received a filing date pursuant to 35 U.S.C. 111 but have been abandoned for failure to complete the application by filing the oath or declaration, filing fee or surcharge § 1.16(e)). The fee covers the handling, filming, processing, data input and storage required to retain an application. The fee is not due in any application in which the basic filing fee was paid.

Section 1.25 is amended as proposed to revise paragraph (a) to set the minimum deposit for a deposit account at \$1000 and to clarify that an amount sufficient to cover all fees as well as services, copies, etc., requested must always be on deposit. This minimum amount is considered necessary and proper in view of the substantial increase in the amounts of fees being charged to deposit accounts and the processing costs of handling overdrawn accounts. Paragraph (b) clarifies that fees may be charged against a deposit account only where sufficient funds are on deposit to cover the entire amount of the fees. Paragraph (b) also clarifies that an authorization to charge a fee to a deposit account will not be considered payment on the date the authorization to charge is effective as to that fee unless sufficient funds are present in the account to cover the fee.

Section 1.27 is amended as proposed to revise paragraphs (b), (c) and (d) to provide clearly that an independent inventor, small business concern, or nonprofit organization, which is otherwise qualified as a small entity for purposes of paying reduced patent fees under 37 CFR 1.9 and 1.27, is not disqualified therefrom because of a license to a federal agency pursuant to 35 U.S.C. 202(c) (4). Section 1.27 is amended to state that such a license does not constitute a license or a conveyance of rights which would preclude qualifying for small entity status. The amendment is necessary for clarification and to avoid frustrating the intent of Public Law 97-247 and Public Law 96-517 when taken together.

The text of Title 35, United States Code, § 202(c) (4) reads as follows:

§ 202. Disposition of rights

(c) Each funding agreement with a small business firm or nonprofit organization shall contain appropriate provisions to effectuate the following:

* * * * *

(4) With respect to any invention in which the contractor elects rights, the Federal agency shall have a nonexclusive, nontransferable, irrevocable, paid-up license to

practice or have practiced for or on behalf of the United States any subject invention throughout the world, and may, if provided in the funding agreement, have additional rights to sublicense any foreign government or international organization pursuant to any existing or future treaty or agreement.

Section 1.28 is amended as proposed to revise paragraph (a) to clarify that a separate verified statement is not required to be filed in a file wrapper continuing application filed pursuant to § 1.62, if status as a small entity has been established in the parent application and is still proper. Section 1.28(a) also permits a refund of a fee timely paid in the full amount if within two months of the date of the full timely payment: (1) small entity status is properly established, and (2) a refund is requested. Under § 1.28(a), no request for a refund filed later than two months after the date on which a full fee has been paid will be entertained even if additional time is sought to file the request. The two-month period referred to in § 1.28(a) is not a period for response under § 1.136 and cannot be extended. Section 1.28(a) provides for, in somewhat modified form, the practice presently in effect pursuant to a waiver of § 1.28 published at 1023 O.G. 77 on Oct. 26, 1982 and extended at 1027 O.G. 115 on Feb. 15, 1983. The revised refund procedures in § 1.28(a) will apply to any fees timely paid in full on or after the effective date of the final rule. The refund procedures set forth in the Patent and Trademark Office *Official Gazette* Notice entitled "Filing of Verified Statements Claiming Small Entity Status" published at 1023 O.G. 77 on October 26, 1982, and the *Official Gazette* Notice entitled "Requirement for Filing Verified Statements Claiming Small Entity Status" published at 1027 O.G. 115 on Feb. 15, 1983, continue in effect until the effective date of the final rule.

Section 1.52(d) is amended as proposed to clarify that the verified English translation of a non-English language application and the fee set forth in § 1.17(k) can be filed with the application or within such time as may be set by the Office.

Section 1.53, paragraphs (b) and (d), are amended to clarify in paragraph (b) that the application for patent must be filed in the name of the actual inventor or inventors by giving all their names as required by § 1.41. Paragraph 1.53(d) states that if a correspondence address is provided, notice will be provided to that address where the appropriate filing fee or oath or declaration does not accompany the application. Paragraph 1.53(d) also provides that if the required filing fee is not paid, or the processing and retention fee is not paid, within one year of the date of mailing of notification pursuant to paragraph 1.53(d) or within one year from the filing date if no correspondence address is included in the application, the application will be disposed of. The paragraph further indicates that no copies will be provided or certified by the Office of an application which has been disposed of or in which neither the basic filing fee nor the processing fee has been paid. Finally, paragraph 1.53(d) specifies that if no correspondence address is included in the application, applicant will have two months from the filing date to file the fee, oath or declaration and to pay the surcharge set forth in § 1.16(e) in order to prevent abandonment of the application.

Section 1.55, paragraph (b), is amended as proposed to correct an error in referring to paragraph (a) of this section.

Section 1.56 is amended as proposed to revise paragraph (b) and add a new paragraph (j). Paragraph 1.56(b) requires that a copy of each foreign patent document, non-patent publication, or other non-patent item of information in written form being disclosed pursuant to § 1.56 accompany such disclosures unless the copy is not in the possession of the person making the disclosure. In such a situation, a statement to that effect is required. Paragraph 1.56(b) also adds "or her" to refer to both genders. New paragraph 1.56(j) states that applicant will be notified if a copy or statement required pursuant to § 1.56(b) is not submitted and that applicant will be given a time period within which to file the copy or a statement that the copy is not in the possession of the person making the disclosure. Such a time period would be extendable under § 1.136. Failure to respond in a proper and timely manner would result in abandonment of the application.

Section 1.59 is amended as proposed to clarify that the Office will furnish copies of papers received in the Office at the usual

cost only if the basic filing fee or the processing and retention fee has been paid.

Section 1.60 is amended to break the section into paragraph (a) and new paragraph (b). Paragraph (a) adds a reference to amended § 1.78(a) to clarify the conditions under which continuation or divisional applications may be filed. New paragraph 1.60(b) provides that the signing of the oath or declaration can be omitted if the prior application was complete as set forth in § 1.51(a). New paragraph 1.60(b) also requires that a true copy of the prior complete application be filed. The final rule also clarifies that the copy of the oath or declaration filed must show the applicant's signature or contain an indication it was signed. Paragraph 1.60(b) also provides that only amendments reducing the number of claims or adding a reference to the prior application will be entered before calculating the filing fee and granting the filing date.

Section 1.62 is amended as proposed to revise paragraphs (a) and (d). Paragraph 1.62(a) provides that the file wrapper continuing procedure is applicable only to prior complete applications under § 1.51(a). Paragraph 1.62(d) clarifies that the filing fee referred to is the basic filing fee.

Section 1.78 is amended as proposed to change the title to more explicitly define the contents of the section. Paragraph 1.78(a) specifies that in order for an application to claim the benefit of a prior filed copending national application, the prior application must be complete as set forth in § 1.51(a) or be entitled to a filing date as set forth in § 1.53(b) and include the basic filing fee set forth in § 1.16, or be entitled to a filing date as set forth in § 1.53(b) and have paid the processing and retention fee set forth in § 1.21(1) within the time period set forth in § 1.53(d).

Section 1.121 is amended as proposed to revise paragraph (e) to specify how amendments to the description and claims are to be made in reissue applications.

Section 1.123 is amended as proposed to clarify that the sketch showing proposed amendments to the drawing with its cover letter should be a separate paper.

Section 1.135 is amended as proposed to remove paragraph (d) since it is not necessary in view of the ability to obtain extensions of time under § 1.136(a) by petition and payment of fee.

Section 1.136 is amended as proposed to clarify in paragraphs (a) and (b) that the extension of time practice under this section does not apply in interference proceedings or in reexamination proceedings. Extension of time practice in interference proceedings, including extension of time for appeal or civil action (§ 1.304), is subject to § 1.245. Extension of time practice in reexamination proceedings, including extension of time for appeal or civil action (§ 1.304), is subject to § 1.550(c).

Section 1.191 is amended as proposed to add a new paragraph (d) to provide that the time periods for appeal and review set forth in §§ 1.191-1.194, 1.196 and 1.197 are subject to the provisions of § 1.136 for patent applications or § 1.550(c) for reexamination proceedings.

Section 1.192 is amended as proposed to revise paragraph (a) to delete the reference to § 1.136 since it is provided for in new § 1.191(d).

Section 1.197 is amended as proposed to revise paragraph (b) to delete the reference to § 1.136 since it is provided for in new § 1.191(d).

Section 1.304 is amended as proposed to clarify that extensions of time periods set forth therein are subject to the provisions of § 1.245 for interferences or § 1.550(c) where reexamination proceedings are involved rather than to § 1.136 which applies in all other cases.

Section 1.550 is amended as proposed to revise paragraph (c) to clarify that the time for taking any action, including appeal, by a patent owner in a reexamination proceeding is governed solely by this section.

Section 1.555 is amended to revise paragraphs (a) and (b). In paragraph 1.555(a) "prior art" statement has been changed to "information disclosure" statement to conform to the language of § 1.98. Paragraph 1.555(b) requires that disclosures pursuant to this paragraph be accompanied by a copy of each foreign patent document or non-patent printed publication which is being disclosed and which is in the possession of the person making the disclosure.

Responses to Comments on the Rules

Specific comments were received on a number of the sections. Thirty-five letters presenting written comments were received. No oral testimony was presented at the public hearing conducted on Oct. 18, 1983. All of the comments were considered in adopting the changes set forth herein. Comments appear below with responses thereto.

Comments from Associations

Comment:

The American Patent Law Association commented that they were in full accord with most of the proposed changes. They submitted comments and suggestions from some members. The Patent, Trademark and Copyright Section of the American Bar Association did not render an official section position on the proposed rule changes but polled its members and found the majority of the member responding either to favor the proposed rule changes or to view them as acceptable. They also submitted comments and suggestions from some members. The United States Trademark Association commented on the proposed rules concerning deposit accounts.

Reply:

The efforts and input of these organizations are appreciated. Specific comments and suggestions from individual members of the organizations are covered below.

Comments from Individuals

Comment:

One comment was received that the proposed amendment to § 1.6 was unnecessary and possibly improper.

Reply:

The amendment to § 1.6 has been adopted as proposed. The amended rule sets out the Patent and Trademark Office practice which has been in effect. No papers are stamped as having arrived in the Office on Saturday, Sunday, or a federal holiday within the District of Columbia no matter how the papers are filed. Article 4, C(3) of the Paris Convention says that the period of priority shall be extended until the first following working day "when the Office is not open for the filing of applications in the country where protection is claimed". To accept papers through use of "Express Mail" or some other way on Saturdays, Sundays or federal holidays within the District of Columbia would raise the possibility that the Office would be viewed as open for the filing of papers on such days and thereby remove the current ability to file a priority claiming application on the first working day if the priority year ended on a non-working day. The final rule avoids this implication.

Comment:

One comment indicated that the change to § 1.6 should not be applied retroactively to papers filed before the clarifying language was placed in the rule.

Reply:

Any such fact situation will be reviewed through the normal petition procedure.

Comment:

One comment suggested that § 1.10 be amended rather than § 1.6 with regard to papers deposited as "Express Mail" on a Saturday, Sunday, or federal holiday within the District of Columbia.

Reply:

This comment has been adopted in that both §§ 1.6 and 1.10 have been amended to avoid any possible confusion.

Comment:

One comment suggested that § 1.19(b) (3) be changed to permit the Office to certify material not copied from the records of the Office when reproduction of Office records is not feasible or possible.

Reply:

This comment has not been adopted. The Office will only certify that material is a copy of an Office record if, in fact, the material was reproduced from the Office record.

Comment:

One person commented that the \$100 processing and retention fee under § 1.21 was excessive and unnecessary.

Reply:

The fee is considered proper and necessary in view of the cost to the Office in handling, filing, processing and storage required to retain an application which has a filing date but in which no basic filing fee has been paid. If this expense is not covered by the applicant, it must be recovered from other sources.

Comment:

Twenty-seven comments were received on the proposal to amend § 1.25 to raise to \$1000 the minimum balance required in a deposit account. The amount is also referred to in § 1.21(b) (2). These comments generally suggested that the \$1000 amount was too high for account holders who did not use their accounts for charges other than small fees such as for patent copies. Several comments received acknowledged that the minimum balance for deposit accounts should be raised and suggested various amounts less than the proposed \$1000. Several comments suggested a separate account category for persons who do not use their accounts for other than small fees. Two comments suggested that the Office accept credit cards for payment of fees.

Reply:

These comments and suggestions have not been adopted. The fees for filing, processing and issuing of patent and trademark applications have increased so as to make the present \$40 minimum balance for deposit accounts totally inadequate. A number of persons objecting to the \$1000 minimum balance acknowledged that they used their deposit accounts as a safeguard against failure to calculate or to submit proper fees by a check. An account with a very low balance obviously cannot be effective as a safeguard when a patent filing fee is \$300 and a patent issue fee is \$500. Dealing with overdrawn accounts causes administrative problems for the Patent and Trademark Office. An authorization to charge an account without sufficient funds to cover a charge will not be effective as payment and may result in loss of rights to an applicant. Also, unnecessary expense will be incurred by an applicant if an insufficient balance in an account results in abandonment of an application and the necessity of filing a petition to revive under 37 CFR 1.137(b) with the requisite \$500 fee. Experience has shown that many single practitioners and small firms have failed to have sufficient funds in their accounts when needed. The increase of the minimum balance in deposit accounts to \$1000 is seen to be necessary and proper. A failure to raise the minimum balance in deposit accounts to \$1000 would serve as an incorrect indication that the Patent and Trademark Office views a minimum balance of less than \$1000 as acceptable. If it is not possible for a small firm or individual to maintain a minimum balance of \$1000, the deposit account could still be retained and used by paying the service charge set forth in § 1.21(b) (2) for any month in which the balance at the end of the month is below \$1000. The use of credit cards is not considered viable since legislation would be required to do so.

Comment:

Two comments were received suggesting that a license to a federal agency in an invention made by a federal employee should not preclude the employee from qualifying as a small entity and that § 1.27 should be amended to cover this situation.

Reply:

These comments have not been adopted. Such an amendment was not proposed and the public has not had an opportunity to comment on it.

Comment:

One comment suggested that the time for filing a verified statement claiming small entity status to obtain a refund of a filing fee pursuant to § 1.28 should run from the date of mailing of the filing receipt due to difficulty in identifying the new application before the filing receipt is received. Three persons suggested that the period for establishing small entity status and requesting a refund should be three months rather than two months as proposed.

Reply:

These comments have not been adopted. An application may be identified before the filing receipt is issued in a number of ways including title, inventor's name, filing date and attorney docket number. Also, a postcard may be included with filing of the application to learn the application serial number. The

two month period for obtaining a refund is seen to be adequate since the small entity practice is no longer new and the public has had time to become familiar with it. It allows sufficient time to have a small entity statement executed and sent to the Patent and Trademark Office.

Comment:

One comment suggested that it should be made clear that an application filed in a foreign language (§ 1.52(d)) without including a signed oath or declaration can receive a filing date under the provisions of § 1.53(b).

Reply:

The regulations permit and this reply makes it clear that an application filed in a language other than English can receive a filing date by complying with § 1.53(b).

Comment:

Three comments were received suggesting that the proposed language not be added to § 1.53(b). One comment alleged that the requirement to name the inventors upon filing a patent application is not required or even authorized by statute.

Reply:

35 U.S.C. 111 says that application for patent "shall be made, or authorized to be made, by the inventor". The rules of practice (§ 1.41(a)) contain the same requirement. The amendment to § 1.53(b) is only clarifying the rules by also placing the requirement in that section. Further, United States patent practice has long required that the inventors be named at the time of filing.

Comment:

One person commented that the language of § 1.53(d) should be changed to reflect that only one of the filing fee or processing and retention fee must be paid to prevent the application being disposed of.

Reply:

The language of the rule is seen to be unambiguous in this regard.

Comment:

One person commented that the language of § 1.53(d) should be changed to establish a time within which the processing and retention fee may be paid to prevent the application being disposed of when no correspondence address has been provided.

Reply:

The suggestion has been adopted.

Comment:

One person suggested that § 1.56(b) which states that copies of disclosed documents must be filed is inconsistent with § 1.56(j) which provides that such copies must be filed unless they are not in the possession of the person making the disclosure.

Reply:

The language of § 1.56(b) has been modified to clarify this point.

Comment:

Three persons commented that the requirement of § 1.56(b) that copies of disclosed documents be supplied was an unnecessary burden. One person commented similarly on the requirement of § 1.555 that copies of disclosed documents be supplied. Another person suggested that the proposed amendment to § 1.56(b) would require submission of a complete document even if only a small portion were relevant.

Reply:

The Office agrees with another person who commented that the "requirement that disclosers in application and reexamination proceedings provide copies of disclosed documents which they have is fair and reasonable and should aid the Examiner in making an informed as possible decision in any given proceeding". The portion of a document required to be submitted under § 1.56(b) is the portion which is material to the examination of the application under § 1.56(a).

Comment:

One person commented that the proposed amendment to § 1.78(a) would appear to require that a petition for correction of inventorship under § 1.48 be filed in a parent application as well as in the continuing application in which the inventorship was corrected.

Reply:

The amendment to § 1.78 does not change the practice regarding the filing of petitions under § 1.48.

Comment:

One person commented that § 1.123 is unclear as amended in not referring to the paper requesting that amendments to the drawing be made.

Reply:

The Patent and Trademark Office no longer makes amendments to the drawings. Applicants must submit new drawings with the changes or use bonded draftsmen to make the amendments. A paper requesting that the Office make the amendments is therefore inappropriate.

Comment:

Four persons commented that § 1.135(d) should not be deleted since they thought it desirable to be able to ratify unsigned papers without paying any fee.

Reply:

The statute and rules now provide for obtaining extensions of time through simple petition and payment of fee and for revival through a simple statement that the abandonment was unintentional and the payment of a fee. Further, a filing date can now be obtained on filing an application without the oath or declaration. The handling of unsigned papers by the Patent and Trademark Office causes administrative problems and expense to the Office and delays the processing of applications. The emergency-type situations involving loss of rights which the previous practice was intended to cover have been substantially eliminated by the changes in the law and rules.

Comment:

One person commented that § 1.191(d) was undecipherable in that it refers to a number of other rules.

Reply:

This section was intended to serve as a point of summarization for the applicable extension of time rules in appeals before the Board of Appeals. The section is seen to adequately serve that purpose.

Comment:

One person commented that the final sentence of § 1.555(b) needs clarification.

Reply:

This sentence was not changed by the proposed rules and is seen to be clear as written.

Comment:

One person commented that proposed § 1.555(b) requires copies and does not make any exceptions or qualifications on this requirement.

Reply:

The language of § 1.555(b) has been clarified to require filing of a copy of each foreign patent document or non-patent printed publication which is being disclosed and which is in the possession of the person making the disclosure.

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). Public Laws 96-517 and 97-247 have both taken into consideration the impact they may have on small entities.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, since no significant additional record keeping or reporting requirements are placed upon the public. In fact, some paperwork, especially that related to filing of small entity statements in applications filed under § 1.62 will be reduced.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interests, Courts, Inventions and patents, Lawyers.

Notice is hereby given that, pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and Public Law 97-247, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

37 CFR, Part 1, is amended as follows:

1. Section 1.5 is amended by revising paragraph (a) to read as follows:

§ 1.5 Identification of application, patent or registration.

(a) When a letter concerns an application for patent, it should state the name of the applicant, the title of the invention, the serial number or international application number of the application, the date of filing the same, and, if known, the group art unit or other unit within the Patent and Trademark Office responsible for considering the letter and the name of the examiner or other person to which it has been assigned.

* * * * *

2. Section 1.6 is amended by revising paragraph (a) to read as follows:

§ 1.6 Receipt of letters and papers.

(a) Letters and other papers received in the Patent and Trademark Office are stamped with the date of receipt except where such letters and papers are filed in accordance with § 1.10. Any such letters and papers filed in accordance with § 1.10 will be stamped with the date of deposit as "Express Mail" with the United States Postal Service unless the date of deposit is a Saturday, Sunday, or federal holiday within the District of Columbia in which case the date stamped will be the next succeeding day which is not a Saturday, Sunday, or federal holiday within the District of Columbia. No papers are received in the Patent and Trademark Office on Saturdays, Sundays or federal holidays within the District of Columbia.

* * * * *

3. Section 1.10 is amended by revising paragraphs (a) and (c) to read as follows:

§ 1.10 Filing of papers and fees by "Express Mail" with certificate.

(a) Any paper or fee to be filed in the Patent and Trademark Office can be filed utilizing the "Express Mail Post Office to Addressee" service of the United States Postal Service and be considered as having been filed in the Office on the date the paper or fee is shown to have been deposited as "Express Mail" with the United States Postal Service unless the date of deposit is a Saturday, Sunday, or federal holiday within the District of Columbia. See § 1.6(a).

* * * * *

(c) The Patent and Trademark Office will accept the certificate of mailing by "Express Mail" and accord the paper or fee the certificate date under 35 U.S.C. 21(a) (unless the certificate date is a Saturday, Sunday, or federal holiday within the District of Columbia-see § 1.6(a)) without further proof of the date on which the mailing by "Express Mail" occurred unless a question is present regarding the date of mailing. If more than a reasonable time has elapsed between the certificate date and the Patent and Trademark Office receipt date or if other questions regarding the date of mailing are present, the person mailing the paper or fee may be required to file a copy of the "Express Mail" receipt showing the actual date of mailing and a statement from the person who mailed the paper or fee averring to the fact that the mailing occurred on the date certified. Such statement must be

a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

4. Section 1.14 is amended by revising paragraph (b) to read as follows:

§ 1.14 Patent applications preserved in secrecy.

* * * * *

(b) Except as provided in § 1.11(b) abandoned applications are likewise not open to public inspection, except that if an application referred to in a U.S. patent, or in an application which is open to inspection pursuant to § 1.139, is abandoned and is available, it may be inspected or copies obtained by any person on written request, without notice to the applicant. Complete applications (§ 1.51(a)) which are abandoned may be destroyed after 20 years from their filing date, except those to which particular attention has been called and which have been marked for preservation. Abandoned applications will not be returned.

* * * * *

5. Section 1.19 is amended by revising paragraph (b) (3) to read as follows:

§ 1.19 Document supply fees.

* * * * *

(b) * * *

(3) For comparing copies, made from Patent and Trademark Office records but not prepared by the Patent and Trademark Office, with the original, prior to certification of the copies, per page \$0.10

* * * * *

6. Section 1.21 is amended by revising paragraph (b) (2) and by adding a new paragraph (1) to read as follows:

§ 1.21 Miscellaneous fees and charges.

* * * * *

(b) * * *

(2) Service charge for each month when the balance at the end of the month is below \$1000 \$2.00

* * * * *

(1) For processing and retaining any application abandoned pursuant to § 1.53(d) unless the required basic filing fee has been paid \$100.00.

7. Section 1.25 is revised to read as follows:

§ 1.25 Deposit accounts.

(a) For the convenience of attorneys, agents, and the general public in paying any fees due, in ordering services offered by the Office, copies of records, etc., deposit accounts may be established in the Patent and Trademark Office upon payment of the fee for establishing a deposit account (§ 1.21(b)(1)). A minimum deposit of \$1000 or more, depending on the activity of the individual account, is required. At the close of each month's business, a statement will be rendered. A remittance must be made promptly upon receipt of the statement to cover the value of items or services charged to the account and thus restore the account to its established normal deposit value. An amount sufficient to cover all fees, services, copies, etc., requested must always be on deposit. A service charge (§ 1.21(b)(2)) will be assessed for each month that the balance at the end of the month is below \$1000.

(b) Filing, issue, appeal, international-type search report, international application processing, petition, and post-issuance fees may be charged against these accounts if sufficient funds are on deposit to cover such fees. A general authorization to

charge all fees, or only certain fees, set forth in §§ 1.16 to 1.18 to a deposit account containing sufficient funds may be filed in an individual application, either for the entire pendency of the application or with respect to a particular paper filed. An authorization to charge to a deposit account the fee for a request for reexamination pursuant to § 1.510 and any other fees required in a reexamination proceeding in a patent may also be filed with the request for reexamination. An authorization to charge a fee to a deposit account will not be considered payment of the fee on the date the authorization to charge the fee is effective as to the particular fee to be charged unless sufficient funds are present in the account to cover the fee.

8. Section 1.27 is amended by revising paragraphs (b), (c) and (d) to read as follows:

§ 1.27 Statement of status as small entity.

* * * * *

(b) Any verified statement filed pursuant to paragraph (a) of this section on behalf of an independent inventor must be signed by the independent inventor except as provided in §§ 1.42, 1.43, or 1.47 of this part, and must aver that the inventor qualifies as an independent inventor in accordance with § 1.9(c) of this part. Where there are joint inventors in an application, each inventor must file a verified statement establishing status as an independent inventor in order to qualify as a small entity. Where any rights have been assigned, granted, conveyed, or licensed, or there is an obligation to assign, grant, convey, or license, any rights to a small business concern, a nonprofit organization, or any other individual, a verified statement must be filed by the individual, the owner of the small business concern, or an official of the small business concern or nonprofit organization empowered to act on behalf of the small business concern or nonprofit organization averring to their status. For purposes of a verified statement under this paragraph, a license to a federal agency resulting from a funding agreement with that agency pursuant to U.S.C. 202(c)(4) does not constitute a license as set forth in § 1.9 of this part.

(c) Any verified statement filed pursuant to paragraph (a) of this section on behalf of a small business concern must (1) be signed by the owner or an official of the small business concern empowered to act on behalf of the concern; (2) aver that the concern qualifies as a small business concern as defined in § 1.9(d); and (3) aver that exclusive rights to the invention have been conveyed to and remain with the small business concern, or if the rights are not exclusive, that all other rights belong to small entities as defined in § 1.9. Where the rights of the small business concern as a small entity are not exclusive, a verified statement must also be filed by the other small entities having rights averring to their status as such. For purposes of a verified statement under this paragraph, a license to a federal agency resulting from a funding agreement with that agency pursuant to 35 U.S.C. 202(c)(4) does not constitute a license as set forth in § 1.9 of this part.

(d) Any verified statement filed pursuant to paragraph (a) of this section on behalf of a nonprofit organization must (1) be signed by an official of the nonprofit organization empowered to act on behalf of the organization; (2) aver that the organization qualifies as a nonprofit organization as defined in § 1.9(e) of this part specifying under which one of § 1.9(e)(1), (e)(2), (e)(3), or (e)(4) of this part the organization qualifies; and (3) aver that exclusive rights to the invention have been conveyed to and remain with the organization or if the rights are not exclusive, that all other rights belong to small entities as defined in § 1.9 of this part. Where the rights of the nonprofit organization as a small entity are not exclusive, a verified statement must also be filed by the other small entities having rights averring to their status as such. For purposes of a verified statement under this paragraph, a license to a federal agency resulting from a funding agreement with that agency pursuant to 35 U.S.C. 202(c)(4) does not constitute a conveyance of rights as set forth in this paragraph.

9. Section 1.28 is amended by revising paragraph (a) to read as follows:

\$1.28 Effect on fees of failure to establish status, or change status, as a small entity.

(a) The failure to establish status as a small entity (§§ 1.9(f) and 1.27 of this part) in any application or patent prior to paying, or at the time of paying, any fee precludes payment of the fee in the amount established for small entities. A refund pursuant to § 1.26 of this part, based on establishment of small entity status, of a portion of fees timely paid in full prior to establishing status as a small entity may only be obtained if a verified statement under § 1.27 and a request for a refund of the excess amount are filed within two months of the date of the timely payment of the full fee. The two-month time period is not extendable under § 1.136. Status as a small entity is waived for any fee by the failure to establish the status prior to paying, at the time of paying, or within two months of the date of payment of, the fee. Status as a small entity must be specifically established by a verified statement filed in each application or patent in which the status is available and desired, except those applications filed under § 1.60 or § 1.62 of this part where the status as a small entity has been established in a parent application and is still proper. Once status as a small entity has been established in an application or patent, the status remains in that application or patent without the filing of a further verified statement pursuant to § 1.27 of this part unless the Office is notified of a change in status. Status as a small entity in one application or patent does not affect any other application or patent, including applications or patents which are directly or indirectly dependent upon the application or patent in which the status has been established, except those filed under § 1.60 or § 1.62 of this part. Applications filed under § 1.60 or § 1.62 of this part must include a reference to a verified statement in a parent application if status as a small entity is still proper and desired.

* * * * *

10. Section 1.52 is amended by revising paragraph (d) to read as follows:

\$ 1.52 Language, paper, writing, margins.

* * * * *

(d) An application may be filed in a language other than English. A verified English translation of the non-English language application and the fee set forth in § 1.17(k) are required to be filed with the application or within such time as may be set by the Office.

11. Section 1.53 is amended by revising paragraphs (b) and (d) to read as follows:

\$ 1.53 Serial number, filing date, and completion of application.

* * * * *

(b) The filing date of an application for patent is the date on which (1) a specification containing a description pursuant to § 1.71 and at least one claim pursuant to § 1.75, and (2) any drawing required by § 1.81(a), are filed in the Patent and Trademark Office in the name of the actual inventor or inventors as required by § 1.41. No new matter may be introduced into an application after its filing date (§ 1.118).

* * * * *

(d) If the application which has been accorded a filing date pursuant to paragraph (b) of this section does not include the appropriate filing fee or an oath or declaration by the applicant, applicant will be so notified, if a correspondence address has been provided, and given a period of time within which to file the fee, oath, or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. If the required filing fee is not timely paid, or if the processing and retention fee set forth in § 1.21(1) is not paid within one year of the date of mailing of the notification required by this paragraph, the application will be disposed of. No copies will be provided or certified by the Office of an application which has been disposed of or in which neither the required basic filing

fee nor the processing and retention fee has been paid. The notification pursuant to this paragraph may be made simultaneously with any notification pursuant to paragraph (c) of this section. If no correspondence address is included in the application, applicant has two months from the filing date to file the fee, oath or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application or one year from the filing date to pay the processing and retention fee set forth in § 1.21(1) to prevent disposal of the application.

* * * * *

12. Section 1.55 is amended by revising paragraph (b) to read as follows:

\$ 1.55 Claim for foreign priority.

* * * * *

(b) An applicant may under certain circumstances claim priority on the basis of an application for an inventor's certificate in a country granting both inventor's certificates and patents. When an applicant wishes to claim the right of priority as to a claim or claims of the application on the basis of an application for an inventor's certificate in such a country under 35 U.S.C. 119, last paragraph (as amended July 28, 1972), the applicant or his or her attorney or agent, when submitting a claim for such right as specified in paragraph (a) of this section, shall include an affidavit or declaration including a specific statement that, upon an investigation, he or she has satisfied himself or herself that to the best of his or her knowledge the applicant, when filing his or her application for the inventor's certificate, had the option to file an application either for a patent or an inventor's certificate as to the subject matter of the identified claim or claims forming the basis for the claim of priority.

13. Section 1.56 is amended by revising paragraph (b) and by adding a new paragraph (j) to read as follows:

\$ 1.56 Duty of disclosure; fraud; striking or rejection of applications.

* * * * *

(b) Disclosures pursuant to this section must be accompanied by a copy of each foreign patent document, non-patent publication, or other non-patent item of information in written form which is being disclosed or by a statement that the copy is not in the possession of the person making the disclosure and may be made to the Office through an attorney or agent having responsibility for the preparation or prosecution of the application or through an inventor who is acting in his or her own behalf. Disclosure to such an attorney, agent or inventor shall satisfy the duty, with respect to the information disclosed, of any other individual. Such an attorney, agent or inventor has no duty to transmit information which is not material to the examination of the application.

* * * * *

(j) If any disclosure pursuant to this section does not include a copy of each foreign patent document, non-patent publication, or other non-patent item of information in written form which is being disclosed or a statement that a copy thereof is not in the possession of the person making the disclosure, applicant will be so notified and given a period of time within which to file the copy or a statement that a copy is not in the possession of the person making the disclosure. The time period set may be extended under § 1.136.

14. Section 1.59 is revised to read as follows:

\$ 1.59 Papers of application with filing date not to be returned.

Papers in an application which has received a filing date pursuant to § 1.53 will not be returned for any purpose whatever. If applicants have not preserved copies of the papers, the Office will furnish copies at the usual cost of any application in which

either the required basic filing fee (§ 1.16) or the processing and retention fee § 1.21(1)) has been paid.

15. Section 1.60 is revised to read as follows:

§ 1.60 Continuation or divisional application for invention disclosed in a prior application.

(a) A continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121 and § 1.78(a)), which discloses and claims only subject matter disclosed in a prior application may be filed as a separate application before the patenting or abandonment of or termination of proceedings on the prior application.

(b) An applicant may omit signing of the oath or declaration in a continuation or divisional application if (1) the prior application was a complete application as set forth in § 1.51(a) and (2) applicant files a true copy of the prior complete application as filed including the specification (including claims), drawings, oath or declaration showing the applicant's signature or an indication it was signed, and any amendments referred to in the oath or declaration filed to complete the prior application. The copy of the prior application must be accompanied by a statement that the application papers filed are a true copy of the prior application and that no amendments referred to in the oath or declaration filed to complete the prior application introduced new matter therein. Such statement must be by the applicant or applicant's attorney or agent and must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. Only amendments reducing the number of claims or adding a reference to the prior application (§ 1.78(a)) will be entered before calculating the filing fee and granting the filing date.

16. Section 1.62 is amended by revising paragraphs (a) and (d) to read as follows:

§ 1.62 File wrapper continuing procedure.

(a) A continuation, continuation-in-part, or divisional application, which uses the specification, drawings and oath or declaration from a prior complete application § 1.51(a)) to be abandoned, may be filed before the payment of the issue fee, abandonment of, or termination of proceedings on the prior application. The filing date of an application filed under this section is the date on which a request is filed for an application under this section including identification of the Serial Number, filing date, and applicant's name of the prior complete application.

* * * * *

(d) If an application which has been accorded a filing date pursuant to paragraph (a) of this section does not include the appropriate basic filing fee pursuant to paragraph (b) of this section, or an oath or declaration by the applicant in the case of a continuation-in-part application pursuant to paragraph (c) of this section, applicant will be so notified and given a period of time within which to file the fee, oath, or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. The notification pursuant to this paragraph may be made simultaneously with any notification of a defect pursuant to paragraph (a) of this section.

* * * * *

17. Section 1.78 is amended by revising the title and paragraph (a) to read as follows:

§ 1.78 Claiming benefit of earlier filing date and cross-references to other applications.

(a) An application may claim an invention disclosed in the same applicant's prior filed copending national application or international application designating the United States of America. In order for an application to claim the benefit of a prior filed copending national application, the prior application must be (1) complete as set forth in § 1.51, or (2) entitled to a filing date as set forth in § 1.53(b) and include the basic filing fee

set forth in § 1.16; or (3) entitled to a filing date as set forth in § 1.53(b) and have paid therein the processing and retention fee set forth in § 1.21(1) within the time period set forth in § 1.53(d). Any application claiming the benefit of a prior filed copending national or international application must contain or be amended to contain in the first sentence of the specification following the title a reference to such prior application, identifying it by serial number and filing date or international application number and international filing date and indicating the relationship of the applications. Cross-references to other related applications may be made when appropriate. (See § 1.14(b)).

* * * * *

18. Section 1.121 is amended by revising paragraph (e) to read as follows:

§ 1.121 Manner of making amendments.

* * * * *

(e) In reissue applications, both the descriptive portion and the claims are to be amended by either (1) submitting a copy of a portion of the description or an entire claim with all matter to be deleted from the patent being placed between brackets and all matter to be added to the patent being underlined, or (2) indicating the exact word or words to be stricken out or inserted and the precise point where the deletion or insertion is to be made. Any word or words to be inserted must be underlined. See § 1.173.

* * * * *

19. Section 1.123 is revised to read as follows:

§ 1.123 Amendments to the drawing.

No change in the drawing may be made except by permission of the Office. Permissible changes in the construction shown in any drawing may be made only by bonded draftsmen, at applicant's expense, or by the submission of substitute drawings by applicant. A sketch in permanent ink showing proposed changes, to become part of the record, must be filed for approval by the examiner and should be a separate paper.

20. Section 1.135 is amended by removing paragraph (d).

21. Section 1.136 is revised to read as follows:

§ 1.136 Filing of timely responses with petition and fee for extension of time and extensions of time for cause.

(a) If an applicant is required to respond within a non-statutory or shortened statutory time period, applicant may respond up to four months after the time period set if a petition for an extension of time and the fee set in § 1.17 are filed prior to or with the response, unless (1) applicant is notified otherwise in an Office action or (2) the application is involved in an interference declared pursuant to § 1.207. The date on which the response, the petition, and the fee have been filed is the date of the response and also the date for purposes of determining the period of extension and the corresponding amount of the fee. The expiration of the time period is determined by the amount of the fee paid. In no case may an applicant respond later than the maximum time period set by statute, or be granted an extension of time under paragraph (b) of this section when the provisions of this paragraph are available. See § 1.245 for extension of time in interference proceedings and § 1.550(c) for extension of time in reexamination proceedings.

(b) When a response with petition and fee for extension of time cannot be filed pursuant to paragraph (a) of this section, the time for response will be extended only for sufficient cause, and for a reasonable time specified. Any request for such extension must be filed on or before the day on which action by the applicant is due, but in no case will the mere filing of the request effect any extension. In no case can any extension carry the date on which response to an Office action is due beyond the maximum time period set by statute or be granted when the provisions of paragraph (a) of this section are available. See § 1.245 for

extension of time in interference proceedings and § 1.550(c) for extension of time in reexamination proceedings.

22. Section 1.191 is amended by adding a new paragraph (d) to read as follows:

§ 1.191 Appeal to Board of Appeals.

(d) The time periods set forth in §§ 1.191 through 1.194, 1.196 and 1.197 are subject to the provisions of § 1.136 for patent applications or § 1.550(c) for reexamination proceedings.

23. Section 1.192 is amended by revising paragraph (a) to read as follows:

§ 1.192 Appellant's brief.

(a) The appellant shall, within 2 months from the date of the notice of appeal under § 1.191 in an application, reissue application, or patent under reexamination, or within the time allowed for response to the action appealed from, if such time is later, file a brief in triplicate. The brief must be accompanied by the requisite fee set forth in § 1.17(f) and must set forth the authorities and arguments on which the appellant will rely to maintain the appeal. The brief must include a concise explanation of the invention which should refer to the drawing by reference characters, and a copy of the claims involved.

24. Section 1.197 is amended by revising paragraph (b) to read as follows:

§ 1.197 Action following decision.

(b) A single request for rehearing or reconsideration, or modification of the decision, may be made if filed within thirty days from the date of the original decision, unless that decision is so modified as to become, in effect, a new decision, and the Board of Appeals so states.

25. Section 1.304 is amended by revising paragraph (a) to read as follows:

§ 1.304 Time for appeal or civil action.

(a) The time for filing the notice and reasons of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is sixty days from the date of the decision of the Board of Appeals or the Board of Patent Interferences. If a request for rehearing or reconsideration, or modification of the decision, is filed within the time provided pursuant to § 1.197(b) or § 1.256(b), the time for filing an appeal or commencing a civil action shall expire at the end of the sixty-day period or thirty days after action on the request, whichever is later. The time periods set forth herein are subject to the provisions of § 1.136 or § 1.550(c) as to decisions of the Board of Appeals, or § 1.245 as to decisions of the Board of Patent Interferences.

26. Section 1.550 is amended by revising paragraph (c) to read as follows:

§ 1.550 Conduct of reexamination proceedings.

(c) The time for taking any action by a patent owner in a reexamination proceeding will be extended only for sufficient cause, and for a reasonable time specified. Any request for such extension must be filed on or before the day on which action

by the patent owner is due, but in no case will the mere filing of the request effect any extension.

27. Section 1.555 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1.555 Duty of disclosure in reexamination proceedings.

(a) A duty of candor and good faith toward the Patent and Trademark Office rests on the patent owner, on each attorney or agent who represents the patent owner, and on every other individual who is substantively involved on behalf of the patent owner in a reexamination proceeding. All such individuals who are aware, or become aware, of patents or printed publications material to the reexamination which have not been previously made of record in the patent file must bring such patents or printed publications to the attention of the Office. An information disclosure statement, preferably in accordance with § 1.98, should be filed within two months of the date of the order for reexamination, or as soon thereafter as possible in order to bring such patents or printed publications to the attention of the Office.

(b) Disclosures pursuant to this section must be accompanied by a copy of each foreign patent document or non-patent printed publication which is being disclosed or by a statement that the copy is not in the possession of the person making the disclosure and may be made to the Office through an attorney or agent having responsibility on behalf of the patent owner for the reexamination proceeding or through a patent owner acting in his or her own behalf. Disclosure to such an attorney, agent or patent owner shall satisfy the duty of any other individual. Such an attorney, agent or patent owner has no duty to transmit information which is not material to the reexamination.

Nov. 30, 1983.
GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1038 O.G. 275]

(45)
Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 40442-49092]

Final Rules for Patent Maintenance Fees

Agency: Patent and Trademark Office, Commerce

Action: Notice of final rulemaking

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases, Part I of Title 37, Code of Federal Regulations, to provide rules and procedures for the payment of patent maintenance fees. Public Law 96-517, enacted on Dec. 12, 1980 and Public Law 97-247, enacted on Aug. 27, 1982, provided for the payment of maintenance fees at intervals of 3 1/2, 7 1/2 and 11 1/2 years from the date of grant of the patent for maintaining in force an original patent, a reissue patent of an invention, and under Public Law 96-517, a plant patent and reissues thereof. The changes provide specific rules and procedures which will assist patentees in avoiding the inadvertent expiration of a patent for failure to pay the appropriate maintenance fee.

Effective Date: Nov. 1, 1984

For Further Information Contact: R. Franklin Burnett by telephone at (703) 557-3054 or by mail to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to 1) establish a set of rules and procedures for the payment of patent maintenance fees; and 2) effect the provisions of Public Laws 96-517 and 97-247 with respect to payment of maintenance fees. The proposed rules were published on Apr. 24, 1984, in Vol. 49 of the *Federal Register*, pages 17692 through 17698; and on May 8, 1984, at Vol. 1042 of the *Official*

Gazette, pages 22 through 38. A public hearing was held on the proposed rule changes on June 26, 1984.

A public briefing on the Office's maintenance fee payment plans was announced at 49 *Federal Register* 2806 on Jan. 23, 1984, and at 1038 *Official Gazette* 293 on Jan. 31, 1984. The public briefing was held on Feb. 22, 1984.

Discussion of Specific Rules

Section 1.1., is amended as proposed to add a new paragraph (d) to provide a "Box M. Fee" in the Patent and Trademark Office to which all maintenance fee correspondence and payments should be directed. Changes in small entity status in patents and changes in the "fee address" under § 1.363, as well as payments of maintenance fees should be directed to "Box M. Fee".

Section 1.9, paragraph (d) is amended as proposed to make a change in citation and title of the rule of the Small Business Administration which relates to the small business size standard for paying reduced patent fees. This change was published in the *Federal Register* as a final rule on Feb. 9, 1984 at 49 Fed. Reg. 5024-5048. The wording of the rule itself was not changed. This change is made to bring the wording of title 37, Code of Federal Regulations into conformance with title 13, Code of Federal Regulations.

Section 1.17, is amended as proposed to establish in paragraph (h) a fee of \$120 for review of a decision refusing to accept and record payment of a maintenance fee filed prior to the expiration of a patent. Paragraph (h) of § 1.17 is also amended to establish a fee of \$120 for reconsideration of a decision on petition refusing to accept the delayed payment of a maintenance fee in an expired patent.

Section 1.19, is amended as proposed to add new paragraphs (f) and (g). New paragraph (f) provides for a \$10.00 fee for a microfiche copy of a patent file wrapper record. Microfiche copies of these patent files have recently become available for patents issued after Jan. 1, 1984. No fee had previously been set by rule for this service. This fee is not directly related to maintenance fees but is set at this time for convenience. New paragraph (g) establishes a \$3.00 fee for providing an uncertified statement indicating either the status of payment of maintenance fees due on a patent or the expiration of a patent. This charge does not apply to any receipt normally provided to the fee addressee as a result of the payment of a maintenance fee, but does apply in any other instance when written evidence of the status of payment of maintenance fees on a patent is requested, whether by the patentee or a member of the public.

Section 1.20, is amended as proposed to add new paragraphs (k), (l) and (m). New paragraph (k) provides for a \$100.00 surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982. Since Public Law 96-517 did not provide for small entities, the surcharge amount of \$100 applies to all such patents. New paragraph (l) provides for a \$100 surcharge for patentees other than a small entity and a \$50 surcharge for small entity patentees when paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant based on an application filed on or after Aug. 27, 1982. This surcharge of \$100 is subject to a 50% reduction for small entities pursuant to Public Law 97-247. New paragraph (m) provides for a \$500 surcharge for accepting payment of a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee. This \$500 surcharge applies only under Public Law 97-247 where the patent is based on an application filed on or after Aug. 27, 1982 and where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable. The requirement that the delay be "unavoidable" is the same as that for reviving an abandoned application under 35 U.S.C. 133. However, the amount of evidence required will depend upon when the showing that the delay was "unavoidable" is made. This surcharge does not apply to patents based on applications filed prior to Aug. 27, 1982 since acceptance of a maintenance fee after expiration of a patent for non-timely payment is not possible under Public Law 96-517. Since this surcharge is provided for under 35 U.S.C. 41(c), it is not subject to a 50% reduction for

small entities. The surcharge in paragraph (m) is not in addition to the surcharge in paragraph (l), but is in lieu thereof.

Section 1.33 is amended as proposed to add a new paragraph (d) which allows a "correspondence address" or change thereto to be filed during the enforceable life of the patent. The "correspondence address" will be used in correspondence relating to maintenance fees unless a separate "fee address" has been specified. Paragraph (d) also includes a reference to § 1.363 relating to the "fee address" to be used for maintenance fee purposes.

New § 1.362 is added to provide for times for payment of maintenance fees. New paragraph (a) sets forth the requirement that maintenance fees as set forth in § 1.20(e)-(j) must be paid in order to maintain a patent in force if the application maturing into a patent was filed on or after Dec. 12, 1980 and is subject to the payment of maintenance fees. The maintenance fee amounts set in § 1.20(e)-(g) are subject to adjustment in accordance with the provisions of Public Law 96-517. The maintenance fee amounts set in § 1.20(h)-(j) are subject to adjustment in accordance with the provisions of Public Law 97-247 on Oct. 1, 1985, and every third year thereafter, to reflect fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Other patent fees are also subject to similar adjustments.

New paragraph (b) of § 1.362 stipulates that no maintenance fees are due for plant patents if the plant patent application was filed on or after Aug. 27, 1982 or for any design patents. Maintenance fees are not required for a reissue patent if the patent being reissued did not require maintenance fees. New paragraph (c) defines the pertinent application filing dates for purposes of determining whether maintenance fees are applicable. Paragraph (c) (1) establishes that for national applications not claiming benefit of an earlier application, the actual United States filing date controls. Paragraph (c) (2) establishes that for national applications claiming benefit of an earlier foreign application under 35 U.S.C. 119, the United States filing date controls. Paragraph (c) (3) provides that for continuing national applications claiming benefit of a prior application under 35 U.S.C. 120, the actual United States filing date of the continuing application is the controlling date. Paragraph (c) (4) provides that for a reissue application, the United States filing date of the application which matured into the original patent upon which the reissue application is based will control. Paragraph (c) (5) establishes that for an international application which has entered the United States as a Designated Office under 35 U.S.C. 371, the international filing date granted under Article 11(1) of the Patent Cooperation Treaty controls. This is consistent with 35 U.S.C. 363.

Paragraph (d) of new § 1.362 sets forth the time periods when maintenance fees can be paid without a surcharge. Those periods, referred to generally as the "window period," are the six-month periods preceding each due date, i.e., 3 years through 3 years and six months, 7 years through 7 years and six months, and 11 years through 11 years and six months after grant of the patent. The "due dates" are defined in 35 U.S.C. 41(b). A maintenance fee paid on the last day of a window period can be paid without surcharge. The last day of a window period can be paid without surcharge. The last day of a window period is the same date (anniversary date) the patent was granted 3 years and six months, 7 years and six months, or 11 years and six months after grant of the patent. Paragraph (d) has been modified from the proposal to add "and" between items (2) and (3) and change the comma at the end of the paragraph to a period.

Paragraph (e) of new § 1.362 sets forth the grace periods during which maintenance fees, under either Public Law 96-517 or Public Law 97-247, may be paid with the surcharge under § 1.20(k) or (l). The grace periods are the six-month periods immediately following each due date, i.e., after 3 years and six months and up to 4 years, after 7 years and six months and up to 8 years, and after 11 years and six months and up to 12 years after grant of the patent. A maintenance fee may be paid with the surcharge on the same date (anniversary date) the patent was granted in the 4th, 8th, or 12th year after grant to prevent the patent from expiring.

Paragraph (f) of new § 1.362 specifies that where the last day for paying a maintenance fee falls on a Saturday, Sunday, or a federal holiday within the District of Columbia, the maintenance fee may be paid on the next succeeding day which is not a Saturday, Sunday, or federal holiday. For example, if the

window period" provided by paragraph (d) for paying a maintenance fee without surcharge ended on a Saturday, Sunday, or a federal holiday within the District of Columbia, the maintenance fee can be paid without surcharge on the next succeeding day which is not a Saturday, Sunday, or federal holiday. Likewise, if the grace period provided by paragraph (e) for paying a maintenance fee with surcharge ended on a Saturday, Sunday, or a federal holiday within the District of Columbia, the maintenance fee could be paid with surcharge on the next succeeding day which is not a Saturday, Sunday, or federal holiday. In the latter situation, the failure to pay the maintenance fee and surcharge on the next succeeding day which is not a Saturday, Sunday, or federal holiday will result in the patent expiring on a date (4, 8, or 12 years after the date of grant) earlier than the last date on which the maintenance fee and surcharge could be paid. This situation results from the provisions of 35 U.S.C. 21, but those provisions do not extend the expiration date of the patent if the maintenance fee and any required surcharge are not paid when required. For example, if the grace period ended on Saturday, the maintenance fee and surcharge could be paid on the next succeeding business day, e.g. Monday, but the patent will have expired at midnight on Saturday if the maintenance fee and surcharge were not paid on the following Monday. Paragraph (f) has been modified from the proposal to explicitly refer to "any necessary surcharge" for clarity since the ability to pay on the next succeeding day which is not a Saturday, Sunday, or federal holiday within the District of Columbia applies to the maintenance fee, including any necessary surcharge.

Paragraph (g) of new § 1.362 establishes that if the proper fees are not received within the time period specified in paragraphs (d), (e), or (f) the patent expires at the end of the grace period set forth in paragraph (e). Paragraph (g) also specifies that a patent which expires for the failure to pay the maintenance fee will expire at the end of the same date (anniversary date) the patent was granted in the 4th, 8th, or 12th year after grant.

New § 1.363 is added as proposed to provide for a "fee address" for maintenance fee purposes. New paragraph (a) specifies that the correspondence address used during prosecution of the application will be used unless 1) a "fee address" is provided for maintenance fee purposes when submitting the issue fee, 2) a correspondence address change for all purposes is filed after payment of the issue fee, or 3) a "fee address" or a change in the "fee address" is filed after payment of the issue fee.

Paragraph (b) of new § 1.363 specifies that an assignment does not result in a change of address for maintenance fee purposes. Due to the possible expiration of a patent for failure to timely pay the appropriate maintenance fee, patentees should ensure that the Patent and Trademark Office is properly notified of the proper "fee address" to which all maintenance fee communications are to be directed. Under both Public Law 96-517 and Public Law 97-247 the burden is on the patentee to timely pay maintenance fees. The Patent and Trademark Office will attempt to assist patentees through appropriate courtesy notices. However, the failure to receive one or more notices will not relieve the patentee of the obligation to timely pay the appropriate maintenance fee to prevent the patent from expiring by operation of law if the maintenance fee is not paid. Section 1.363 does not provide for maintenance fee correspondence to be directed to more than one address.

New § 1.366 is added to establish the guidelines and procedures for submission of maintenance fees, including any necessary surcharges. New paragraph (a) states that the patentee may pay maintenance fees and any necessary surcharges or any person or organization may pay maintenance fees and any necessary surcharges on behalf of the patentee without filing in the Patent and Trademark Office evidence of authorization by the patentee to pay maintenance fees. This will enable patentees to pay the maintenance fees and any necessary surcharges themselves or authorize some person or organization to pay maintenance fees and any necessary surcharges on their behalf. No verification of the authority to pay maintenance fees and any necessary surcharges in a particular patent will be made by the Patent and Trademark Office. While anyone may pay the maintenance fees and any necessary surcharges on a patent, any Patent and Trademark Office notices relating to maintenance fees will be mailed to the "fee address" set forth in § 1.363. Paragraph (a) has been modified from the proposal to

explicitly refer to "any necessary surcharges" for clarity.

Paragraph (b) of new § 1.366 specifies that a maintenance fee and any necessary surcharge for a patent must be submitted in the amount due on the date the maintenance fee and any necessary surcharge are paid, and at the proper time, i.e., within the periods set forth in § 1.362. Paragraph (b) has been modified from the proposal by changing "proper amount" to "amount due on the date the maintenance fee and any necessary surcharge are paid." This change results from adoption of a suggestion that a maintenance fee payment made during the window period should not require adjustment if the maintenance fees are thereafter increased to reflect increases in the Consumer Price Index. Under paragraph (b) as adopted herein, if the amount of the maintenance fee is correct on the date it is paid and credited to the patent, a later change in the maintenance fees to reflect changes in the Consumer Price Index will not require a modification in the amount paid. However, in order for the maintenance fee to be considered paid it must be submitted in accordance with § 1.366. Paragraph (b) has also been modified from the proposal to explicitly refer to § 1.362(f) for purposes of clarity where the last day for paying a maintenance fee with or without a surcharge falls on a Saturday, Sunday, or a federal holiday within the District of Columbia. In such circumstances, the fee with any necessary surcharge may be paid on the next succeeding day which is not a Saturday, Sunday, or federal holiday. The maintenance fee and any necessary surcharge may be paid in the manner set forth in § 1.23, i.e., it should be in United States specie, Treasury notes, national bank notes, post office money orders, or by certified check. As indicated in § 1.23, if the maintenance fee payment is sent in any other form, the Office may delay or cancel the credit until collection is made. For example, a personal or other uncertified check drawn on a United States bank which is not immediately negotiable, e.g., because of lack of signature or insufficient funds, will not constitute payment of a maintenance fee. However, a personal check drawn on a United States bank can be used if it is immediately negotiable. Any remittance from foreign countries must be payable and immediately negotiable in the United States for the full amount of the maintenance fee required.

Paragraph (b) of new § 1.366 also provides that maintenance fees may be paid by an authorization to charge a deposit account established pursuant to § 1.25. The authorization to charge the deposit account must be submitted within the periods set forth in § 1.362 and must be limited to maintenance fees payable on the date of submission. The authorization to charge the deposit account can not, under paragraph (b), be submitted prior to the third, seventh, or eleventh year after the grant of the patent. If an authorization to charge a deposit account were submitted to pay the maintenance fee due at three years and six months after grant, a new authorization to charge a deposit account or other form of payment will have to be submitted at the appropriate time for each of the maintenance fees due at 7 years and six months and 11 years and six months. Paragraph (b) also specifies that any payment or authorization filed at any time other than that set forth in § 1.362(d), (e) or (f) will not serve as a payment of the maintenance fee, except insofar as a delayed payment of the maintenance fee is accepted by the Commissioner pursuant to § 1.378. Paragraph (b) also specifies that a payment of less than the required amount, a payment in a manner other than that set forth in § 1.23, or the filing of an authorization to charge a deposit account having insufficient funds, will not constitute payment of a maintenance fee on a patent. The authorization is required to authorize the immediate charging of the fee to the deposit account. An authorization would be improper if it only authorized the fee to be charged at a later date, e.g., on the last possible day of payment without surcharge. Such an authorization would not serve as payment of the maintenance fee. Any payment which fails to result in the entire proper amount of the maintenance fee being present on the due date will not constitute payment of the maintenance fee. Paragraph (b) also specifies that the certificate of mailing procedures of § 1.8 or the mailing by "Express Mail" provisions of § 1.10 may be utilized in paying maintenance fees. The specific requirements of either § 1.8 or § 1.10 must be fully complied with if either is used.

Paragraph (c) of new § 1.366 establishes the data necessary and desired when submitting maintenance fee payments and any necessary surcharges. New paragraph (c) specifies that maintenance fee payments and any necessary surcharges must in-

clude at least the 1) patent number and 2) United States application serial number. Paragraph (c) has been modified from the proposal to explicitly refer to "any necessary surcharges" for clarity since the identifying information must also be supplied when submitting surcharges. The wording of § 1.366(c) has also been changed from the proposal to clarify that the required application serial number is that of the application upon which the patent issued. This change from the proposal makes clear that the serial number required to be submitted is not that of a prior parent application but rather, the actual application which matured into the patent for which maintenance fees are to be paid. If the maintenance fee is being paid on a reissue patent, the serial number required is that of the reissue application. Since this required information will be used as a cross-check to ensure that the maintenance fee is properly credited, the application serial number must correspond to the patent which issued therefrom. If less than the required information is submitted, the Office will not credit the payment. Additionally, if notice is required that the proper identifying data has not been submitted, it would result in requiring the payment of a surcharge if the necessary data is submitted after the "window period" closes. If the required information is not submitted until after the end of the grace period, the patent would have expired because of the failure to properly identify the patent to which the maintenance fee payment is to be credited prior to the expiration of the grace period. The patentee in such a circumstance could proceed under § 1.378, if appropriate, or could file a petition under § 1.377 within the period set therein seeking to have the maintenance fee accepted as timely even though all of the proper identifying data was not present prior to the expiration of the grace period.

Paragraph (d) of new § 1.366 specifies that the following information should also be submitted for each patent on which a maintenance fee or surcharge is paid: 1) whether it is the 3 1/2, 7 1/2, or 11 1/2 year fee, 2) whether small entity status is being changed or claimed with the payment, 3) the amount of the maintenance fee and any surcharge being submitted, 4) any assigned payor number, 5) patent issue date and 6) United States application filing date. Paragraph (d) has been modified from the proposal to explicitly refer to "any necessary surcharges" for clarity. Paragraph (d) has also been changed from the proposal to emphasize that when the payment is being made on a reissue patent the required patent number and application serial number are those of the reissue patent and reissue application. Where the payment is a maintenance fee and any necessary surcharge on a reissue patent, in addition to the information requested for all payments, paragraph (d) as adopted herein also requests certain identifying data relating to the original patent, i.e., original patent number, original patent issue date, and original United States application filing date. The reason for requesting the original patent number, original patent issue date, and original United States application filing date is that the original filing and issue dates are the dates which control if and when maintenance fees must be paid to prevent the reissue patent from expiring. The reference to a payor number has been added. A payor number will be assigned to each "fee address" in order to facilitate data input and subsequent changes in the location of the "fee address." Details of the "payor number" system will be announced to the public in a future *Official Gazette* notice. Although the submission of the information requested in paragraph (d) is not mandatory, it would expedite the processing of the maintenance fee payments.

The final rule thus requires less mandatory information, i.e., the patent number and U.S. application serial number, than would have been required by the proposed rule. The required information is considered to be the least that is required to make a cross-check and thus assure that the maintenance fee is being credited to the proper patent. The patent issue date and the application filing date, which were included in the proposed rule as mandatory information, are included in the final rule as desirable, but not mandatory, information. The effect of this change is that an error in either the patent issue date or the application filing date, or both, by the person paying the maintenance fee would not result in a refusal to accept the maintenance fee and to credit the payment thereof to the patent, if the patent number and United States application serial number were correct, i.e., in agreement. However, if any error included either the patent number or the United States application serial number such that they were not in agreement the payment would

not be accepted and credited until correction was made. The date of the correction would be the date the maintenance fee payment is credited as being made.

Paragraph (e) of new § 1.366 specifies that maintenance fee payments and any surcharges relating thereto must be submitted separate from any other payments for fees or charges, whether submitted in the manner set forth in § 1.23 or by an authorization to charge a deposit account. Maintenance fee payments and surcharge payments relating thereto which are co-mingled with payments for other fees or charges, e.g., application filing fees, issue fees, petition fees, document supply fees, etc., will not be accepted. The maintenance fees require processing by a separate area of the Office and are not processed in the same manner as other fees and charges. Maintenance fees for a number of patents can be submitted together in one submission and one payment. Paragraph (e) specifies that if maintenance fee payments for more than one patent are submitted together, they should be submitted on as few sheets as possible, listing the patent numbers in increasing patent number order. If the payment submitted, which can be made as a single payment, is insufficient to cover the maintenance fees and any surcharges for all the listed patents, the payment will be applied in the order the patents are listed. In such a circumstance where the fees are insufficient, the maintenance fee and any surcharge for one or more of the last listed patents will not be paid.

Paragraph (f) of new § 1.366 serves as a reminder to patentees of the necessity to check for the loss of small entity status prior to paying each maintenance fee on a patent. This is already a requirement of § 1.28(b). Paragraph (f) provides that notification of any change in status resulting in loss of entitlement to small entity status must be filed in a patent prior to paying, or at the time of paying, the earliest maintenance fee due after the date on which status as a small entity is no longer appropriate. If status as a small entity has been previously established by filing a statement and such status is checked and is found to be proper, no notification is required. It is not necessary to file new verified statements claiming small entity status at this point if the status as a small entity has been established and is still proper even if rights have been transferred to a small entity who has not previously filed a verified statement. The requirement is to notify the Patent and Trademark Office of the loss of entitlement and to pay the maintenance fee in the proper amount for other than a small entity where appropriate. The refund provisions of § 1.28(a) for later submitted small entity statements will apply to maintenance fees.

Paragraph (g) of new § 1.366 provides that maintenance fees and surcharges relating thereto will not be refunded except in accordance with §§ 1.26 and 1.28(a). A patentee cannot obtain a refund of a maintenance fee which was due and payable on the patent. Any duplicate payment will be refunded to the fee address.

New § 1.377 is added as proposed to provide a mechanism for review of a decision refusing to accept and record payment of a maintenance fee filed prior to the expiration of a patent. Paragraph (a) of new § 1.377 specifies that a patentee who is dissatisfied with the refusal of the Patent and Trademark Office to accept and record a maintenance fee which was filed prior to the expiration of the patent may petition the Commissioner to accept and record the maintenance fee. This petition may be used, for example, in situations where an error is present in the identifying data required by § 1.366(c) with the maintenance fee payment, i.e., either the patent number or the application serial number are incorrect. A petition under § 1.377 would not be appropriate where there is a complete failure to include at least one correct mandatory identifier as required by § 1.366(c) for the patent since no evidence would be present as to the patent on which the maintenance fee was intended to be paid. If the maintenance fee payment with an incorrect mandatory identifier was made near the end of the grace period, the patent might expire since the Office would not credit the fee to a patent. For patents based on applications filed between Dec. 12, 1980 and Aug. 27, 1982, there is no provision for acceptance of a maintenance fee after the grace period such as in § 1.378 and so the filing of a petition under § 1.377 would provide an avenue for seeking relief. A petition under § 1.377 would not be appropriate where the patentee paid a maintenance fee on one patent when the patentee intended to pay the maintenance fee on a different patent but through error identified the wrong patent by patent number and application serial number. Likewise, a peti-

tion under § 1.377 would not be appropriate where the entire maintenance fee payment, including any necessary surcharge, was not filed prior to expiration of the patent.

Paragraph (b) of new § 1.377 specifies that any petition under new § 1.377 must be filed within 2 months of the action complained of, or within such other time as may be set in the action complained of. The petition must be accompanied by the petition fee of \$120 provided for in the amendment to § 1.17(h). Paragraph (b) also provides that the petition may include a request that the petition fee be refunded if the refusal to accept and record the maintenance fee is determined to have resulted from an error by the Patent and Trademark Office.

Paragraph (c) of new § 1.377 specifies that any petition filed under the section must comply with the requirements of paragraph (b) of § 1.181 and must be signed by an attorney or agent registered to practice before the Patent and Trademark Office, or by the patentee, the assignee, or other party in interest. A person or organization whose only responsibility insofar as the patent is concerned is the payment of a maintenance fee is not a party in interest for purposes of paragraph (c) of § 1.377. The petition must be in the form of a verified statement if made by a person not registered to practice before the Patent and Trademark Office. If the petition is signed by a person not registered to practice before the Patent and Trademark Office, the petition must include the authority of the person signing the petition as patentee, assignee, or other party in interest.

New § 1.378 is added as proposed to establish the procedure for acceptance of the delayed payment of a maintenance fee in an expired patent in order to reinstate that patent. This procedure is only available under Public Law 97-247 where the application on which the patent is based was filed on or after Aug. 27, 1982. If the maintenance fee is due under Public Law 96-517, i.e., the application on which the patent is based was filed on or after Dec. 12, 1980, and before Aug. 27, 1982, the delayed payment of the maintenance fee is not provided for by statute and cannot be accepted after expiration of the patent, and the patent cannot be reinstated.

Paragraph (a) of new § 1.378 provides that the Commissioner may accept the payment of any maintenance fee due on a patent based on an application filed on or after Aug. 27, 1982, after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable. The surcharge set forth in § 1.20(m) must be paid as a condition of accepting payment of the maintenance fee. No separate petition fee is required for this petition. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired, but will be subject to the intervening rights provisions of 35 U.S.C. 41(c) (2).

Paragraph (b) of new § 1.378 specifies the requirements of a petition for acceptance of the delayed payment of a maintenance fee filed within six months of the expiration of the patent. Under paragraph (b), the petition must include the required maintenance fee set forth in § 1.20(h)-(j); the surcharge set forth in § 1.20(m); and a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee. In view of the requirement to enumerate the steps taken to ensure timely payment of the maintenance fee, an argument that the patentee was ignorant of the requirement to pay maintenance fees will not constitute a showing of unavoidable delay. Evidence that despite reasonable care on behalf of the patentee and/or the patentee's agents, and reasonable steps to ensure timely payment, the maintenance fee was unavoidably not paid, could be submitted in support of an argument that the delay in payment was unavoidable. For example, an error in a docketing system could possibly result in a finding that a delay in payment was unavoidable if it were shown that reasonable care was exercised in designing and operating the system and if it were shown that the patentee took reasonable steps to ensure that the patent was entered into the system to ensure timely payment of the maintenance fees.

Paragraph (c) of new § 1.378 specifies the requirements of a petition for acceptance of the delayed payment of a maintenance fee filed more than six months after the expiration of a patent. These requirements are much more stringent in view of the heavy burden of proof that the delay was unavoidable. The

legislative history of Public Law 97-247, House Report No. 97-542 (Committee on the Judiciary), indicates that "[a]fter the expiration of a reasonable period of time, the patentee would bear a heavy burden of proof that the delay was unavoidable." The six month period provided for petition under paragraph (b) is considered to be a reasonable period of time within which to seek reinstatement of a patent which expired for failure to pay the maintenance fee. Any petition filed more than six months after expiration must meet the more stringent requirements of paragraph (c). Under paragraph (c), the petition must include the same elements as in paragraph (b) and, in addition, must demonstrate that the failure to pay the maintenance fee was unavoidable due to circumstances outside of the control of the patentee and those acting on behalf of the patentee in paying the maintenance fee. The showing in a petition under paragraph (c) must be sufficient in scope and content to meet the heavy burden of proof required to show that a delay in payment of the maintenance fee of more than six months after expiration of the patent was unavoidable. In contrast to a petition under paragraph (b), a showing in a petition under paragraph (c) of an error in a docketing system will not be sufficient to find that the delay was unavoidable. Instead, a petition filed under paragraph (c) must demonstrate that the circumstances resulting in the delay were entirely outside the control of the patentee and those acting on behalf of the patentee in paying the maintenance fee, e.g., serious efforts without success to raise the funds required to pay the maintenance fee.

Paragraph (d) of new § 1.378 requires that a petition filed under § 1.378 be signed by an attorney or agent registered to practice before the Patent and Trademark Office, or by the patentee, the assignee, or other party in interest. A person or organization whose only responsibility insofar as the patent is concerned is the payment of a maintenance fee is not a party in interest for purposes of paragraph (d) of § 1.378. Under paragraph (d), the petition must be in the form of a verified statement if made by a person not registered to practice before the Patent and Trademark Office. If the petition is signed by a person not registered to practice before the Patent and Trademark Office, the petition must include the authority of the person signing the petition as patentee, assignee, or other party in interest.

Paragraph (e) of new § 1.378 provides a mechanism for obtaining reconsideration of a decision refusing to accept a maintenance fee upon petition filed pursuant to paragraph (a). This mechanism is a petition for reconsideration which may be filed within two months of, or such other time as set in the decision refusing to accept the delayed payment of the maintenance fee. In contrast to petitions filed under paragraph (a), the petition for reconsideration filed under paragraph (e) of new § 1.378 will require the separate petition fee set forth in the amendment to § 1.17(h). Paragraph (e) also provides that after the decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner. Paragraph (e) also provides for refund of the maintenance fee and the surcharge set forth in § 1.20(m) if the delayed payment of the maintenance fee is not accepted. The refund will be made following the decision on the petition for reconsideration, or after the expiration of the time for filing such a petition for reconsideration, if none is filed. Paragraph (e) specifies that the fee for filing the petition for reconsideration will not be refunded unless the refusal to accept and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

Response to Comments on the Rules

Specific comments were received on a number of the proposed rule changes. Eight letters submitting written comments were received. Oral testimony was presented by two persons (one person testified on behalf of the American Intellectual Property Law Association) at the public hearing conducted on June 26, 1984. All of the written and oral comments were considered in adopting the changes set forth herein. The comments submitted appear below along with responses thereto.

Comment:

One comment suggested that the surcharge set at 37 CFR 1.20(m) for accepting a maintenance fee after expiration of the patent should be reduced from \$500.00 to \$50.00 and that this amount should be reduced by 50 percent for small entities.

Reply:

The suggestion has not been adopted. The surcharge set at 37 CFR 1.20(m) is considered to be appropriate in view of the importance of the relief being obtained. Before a surcharge under 37 CFR 1.20(m) is due the patent will have already expired due to the failure to pay a maintenance fee within a one-year period provided for the payment. Setting a lower amount as the surcharge would tend to denigrate the importance of the relief obtained by the acceptance of a maintenance fee after expiration of a patent. Further, a lower surcharge amount is not justified in view of the ample opportunity for payment of the maintenance fee which is presented by the one-year period in which payment can be made and the fact that the public is now on notice that maintenance fees are due and payable. Further, the Patent and Trademark Office will provide courtesy notices regarding the need to pay maintenance fees at a plurality of points in time before the patent expires. Such a notice now appears on the patent grant and presently plans are to print such a courtesy notice on the Notice of Allowance and the Issue Fee Receipt. Notices will be printed in the *Official Gazette* listing the patent number ranges of patents on which maintenance fees can be paid and a notice will be mailed to the patentee during the grace period if the maintenance fee is not paid. Therefore, relatively few patentees should fail to pay the maintenance fee before expiration of the patent due to unavoidable circumstances. The surcharge set at 37 CFR 1.20(m) is established pursuant to 35 U.S.C. 41(c) and therefore the small entity provisions of Public Law 97-247 do not apply to this fee. Also, Public Law 97-247 provides that the surcharge set at 37 CFR 1.20(m) could be in addition to any surcharge established for payment of the maintenance fee during the grace period as set at 37 CFR 1.20(1). The Patent and Trademark Office has established a separate surcharge set at 37 CFR 1.20(m) not in addition to the surcharge set at 37 CFR 1.20(1), but in lieu thereof. The amount set at 37 CFR 1.20(m) is not seen to be excessive.

Comment:

Two comments suggested that the small entity reduced fee provisions of Public Law 97-247 should have been applied to maintenance fees required under Public Law 96-517.

Reply:

The maintenance fee amounts under Public Law 96-517 set at 37 CFR 1.20(e)-(g) were previously set and are not part of the present rulemaking. It should be noted, however, that Public Law 96-517 did not provide for reduction of fees for small entities. Reductions of fees for small entities were established in Public Law 97-247 only for fees under 35 U.S.C. 41(a) and (b) thereof. The maintenance fee levels in 37 CFR 1.20(e)-(g), however, were established under 35 U.S.C. 41(c) of Public Law 96-517 rather than 35 U.S.C. 41(a) or (b) of Public Law 97-247. Therefore, the fee amounts previously set at 37 CFR 1.20(e)-(g) are not seen to be subject to reduction for small entities.

Comment:

One comment suggested that the Office permit any of the maintenance fees to be paid in advance, either at the time of paying the issue fee or during any of the window periods. Another comment suggested that the Office should accept a fee payment earlier than the window period if the fee has no possibility of being changed due to changes in the Consumer Price Index.

Reply:

These suggestions have not been adopted. The second comment listed above points out the problem with regard to the suggestion in the first comment. Public Law 97-247 provided for adjustments of the maintenance fees every third year to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Allowing maintenance fees to be paid in advance would preclude such adjustments to these maintenance fees unless very burdensome administrative steps were implemented to require adjustments in the fee amount previously paid when the maintenance fees are adjusted at a later time. Requiring maintenance fees to be paid in a consistently time-ordered basis as in § 1.362 will also be helpful administratively and for budgeting purposes. As to the second comment above, it is not seen that there would be substantial benefit to the public since the period would be short during which a maintenance fee could not change due to changes in the Consumer Price Index. Thus, the patentee would only be able to make the maintenance fee

payment a short time before the period during which payment may be made pursuant to § 1.362.

Comment:

Two comments suggested that a maintenance fee payment made during the window period should not require adjustment if the maintenance fees are thereafter increased to reflect increases in the Consumer Price Index.

Reply:

These comments have been adopted by an appropriate change in paragraph (b) of § 1.366. Maintenance fees which are paid during the window period in the amount required on the date of payment will be accepted as proper and full payment. If the maintenance fees change after such a proper payment, no adjustment in the amount will be required or permitted. Thus, if the maintenance fee increases before the close of the window period, the patentee will not be required to make up any deficiency between the amount properly paid during the window period and the new increased fee. Likewise, if the maintenance fee decreases before the close of the window period, no refund will be permitted of part of the maintenance fee properly paid in the amount due when the payment was made. Payments must be made in the amount proper on the date of payment. For example, if payment is made during the grace period, the payment must be made in the amount then required irrespective of the amount of the maintenance fee which would have been due if payment had been made during the window period.

Comment:

Three comments were directed to the proposed requirements in § 1.366(c) for data identifying the patent upon which maintenance fee payments are being made. One comment indicated that many computer annuity systems now existing have a data base designed to accept only two identifying numbers. This comment and one other comment suggested that the patent number and issue date be required to be submitted with the maintenance fee to identify the patent number. Another comment suggested that the required identifying data be the patent number, issue date, name of the inventor and title of the invention.

Reply:

The suggested changes to the proposed rule have been adopted in part. The requirement for identifying data to uniquely identify the patent for which maintenance fees are being paid is an important one. The Patent and Trademark Office and the public must be able to determine with certainty which patents are in force and which patents have expired because the maintenance fees were not paid. The comments seem to recognize that at least two identifiers are necessary so that a cross-check can be made to avoid errors. The suggested use of the issue date with the patent number would not provide a reliable cross-check. In excess of one thousand patents usually issue on each issue date. Therefore a mistake in the last four digits in the patent number supplied with the maintenance fee payment would often not be detected by use of the issue date as a cross-check. The Patent and Trademark Office has determined that the two best identifying data units for use as a cross-check are the patent number and the application serial number. These identifiers are unique since each is specific to one patent or application and are thus required to be provided with a maintenance fee payment by the final rule. The application serial number and the patent number are both listed on the issued patent and in the *Official Gazette* and therefore should be readily available to patentees.

Comment:

One comment suggested that no petition fee should be charged for filing a petition under 37 CFR 1.377 seeking review of a decision refusing to accept and record payment of a maintenance fee filed prior to expiration of a patent. The comment further suggested that, if a fee is charged, the filing of a petition thereunder should be presumed to be a request for a return of the petition fee if it is determined that the refusal to accept and record a maintenance fee payment was due to Patent and Trademark Office error.

Reply:

The suggestion that no petition fee be charged has not been adopted. The petition fee, although required in advance, will be retained by the Patent and Trademark Office only in those instances where the refusal to accept and record the fee resulted from an error on the part of someone other than the Patent and Trademark Office. In those instances where the refusal to accept

and record the fee resulted from a Patent and Trademark Office error the Office intends to refund the petition fee, either based upon the request included in the petition or upon the initiative of the Office. The reason for including a request for a refund, where appropriate, in the petition is to ensure that such request is not inadvertently overlooked. In view of the expense involved, it would be inappropriate to process a petition without a petition fee where the error necessitating the petition was made by the petitioner or someone acting on behalf of the patentee.

Comment:

One comment suggested that the term "unavoidable" should be more specifically defined in 37 CFR 1.378(b) (3) and (c) (3), if possible.

Reply:

As stated in this rulemaking, the requirement that the delay in payment of the maintenance fee be "unavoidable" is the same as that for reviving an abandoned application under 35 U.S.C. 133. This standard has been in effect for many years and should be well understood by the public. The rule is seen to be adequate as written, especially in view of the discussion in this rulemaking which includes several specific examples based on when the petition to accept the delayed payment of a maintenance fee is filed.

Comment:

One comment suggested that Public Law 97-247 should be "liberally interpreted" to permit acceptance of delayed payments of maintenance fees required under Public Law 96-517. Proposed 37 CFR 1.378 was limited to patents issuing on applications filed on or after Aug. 27, 1982, the effective date of Public Law 97-247.

Reply:

The final rule has not been changed from the proposal. The remedy suggested by the comment cannot be provided in view of the language of 35 U.S.C. 41(c) (1) which applies only to maintenance fees required by 35 U.S.C. 41(b) of Public Law 97-247. Section 17(a) of Public Law 97-247 clearly states "the maintenance fees provided for in section 3(b) of this Act shall not apply to patents applied for prior to the date of enactment of this Act."

Comment:

Several of the comments received were directed to proposed statutory changes which were said to be desirable in the area of maintenance fees.

Reply:

These comments were not suggesting that the proposed rules were not in compliance with the present statutes, but rather that the statutes themselves should be changed. These comments are beyond the scope and purpose of this rule change.

Implementation of Maintenance Fee Payment Procedures

The Patent and Trademark Office is presently developing its internal working procedures for processing maintenance fee payments and for notifying the public as to the status of maintenance fee payments on particular patents. The first maintenance fees become due early in 1985. In order to be as helpful as possible in informing the public as to the Patent and Trademark Office's current plans it is useful to outline the basic procedures the Patent and Trademark Office intends to adopt to process maintenance fees so that the interrelationship with the rules is understood. These basic procedures are subject to change as experience and circumstances dictate.

Notices by the Patent and Trademark Office

Under the statutes, the Patent and Trademark Office has no duty to notify patentees when their maintenance fees are due. It is the responsibility of the patentee to assure that the maintenance fees are paid to prevent expiration of the patent. The Patent and Trademark Office will, however, provide some notices as reminders that maintenance fees are due, but the notices, errors in the notices, or the lack of notices, will in no way relieve a patentee from the responsibility to make timely payment of each maintenance fee to prevent the patent from expiring by operation of law. The notices provided by the Patent and Trademark Office will be merely courtesy in nature and intended to

aid patentees. These notices, errors in these notices, or the lack of notices, will in no way shift the burden of monitoring the time for paying maintenance fees on patents from the patentee to the Patent and Trademark Office.

Preprinted Standard Notice Wording

The patent grant currently includes a reminder that maintenance fees may be due. The Notice of Allowance and Issue Fee Receipt are presently planned to be revised to contain reminder notice wording that maintenance fees may be due.

Official Gazette Notice

A notice will appear in each issue of the *Official Gazette* which will indicate which patents have been granted 3, 7 and 11 years earlier, that the window period has opened and that maintenance fee payments will now be accepted for these patents.

Another *Official Gazette* notice published after expiration of the grace period will indicate any patent which has expired due to non-payment of maintenance fees and any patents which have been revived under 35 U.S.C. 41(c). An annual compilation of such expirations and revivals will also be published.

Courtesy Reminder Notice

Since patentees are expected to maintain their own record systems and since most patentees are expected to pay their maintenance fees during the "window period" to prevent payment of a surcharge, the Office will not send any reminder notices to patentees at the fee address until after the grace period has begun. This will reduce and simplify the mailing of notices but still give patentees an opportunity to pay their maintenance fees with surcharge during the grace period before expiration of their patents. Such notices will be mailed to the fee address as set forth in § 1.363.

Action Notices

The Office will issue a receipt for payment of maintenance fees after entry of the maintenance fee payment. Such a receipt will provide an opportunity for the patentee to check if the Office has properly credited the payment. The original document submitted by the patentee when paying the maintenance fee will also be appropriately marked and returned to the fee address. If actual experience indicates that they are not needed, the receipt notices and/or the return of the original document may be discontinued.

The patentee will also be notified by mail at the fee address as set forth in § 1.363 of any expiration or revival of the patent.

Fee Address

The patentee may provide the Patent and Trademark Office with a fee address under § 1.363, which address may be different from the correspondence address under § 1.33, when submitting the issue fee or in a separate later-filed paper. The fee address will be used by the Office for all correspondence directed to the patentee concerning maintenance fees. If no separate fee address is provided by the patentee under § 1.363, the correspondence address under § 1.33 will also be used for maintenance fee purposes.

Payment of Maintenance Fees

Transmittals of maintenance fees may be limited to a single patent or may involve several patents. If a transmittal involves several patents they should be listed in increasing numerical order. The following format is suggested for use when paying maintenance fees and any necessary surcharges. Although only the mandatory identification elements consisting of the patent number and United States application serial number, set forth in § 1.366(c) are required, the items referred to in § 1.366(d) should also be included to expedite processing of maintenance fees and any necessary surcharges. In addition,

February 22, 1987

Commissioner of Patents and Trademarks
Box M. Fee
Washington, D.C. 20231

Dear Sir:

Enclosed is a check drawn for the amount of \$1,500 for the payment of the maintenance fees on the following patents.

Patent Number	Serial Number	Patent Date	Application Filing Date	Payment Year	Small Entity	Amount Paid	Surcharge	Fee Code
P.P.5,188	380,062	Feb. 7, 1984	May 20, 1981	4	\$200.00			170
Re.31,522	481,494	Feb. 14, 1984	April 1, 1983	4	-	\$200.00	\$100.00	170/176
*(4,374,741		(Feb. 22, 1983)	(July 21, 1981)	4	-	\$200.00		170
4,429,419	339,620	Feb. 7, 1984	Jan. 15, 1982	4	No	\$400.00	-	173
4,429,433	412,101	Feb. 7, 1984	Aug. 27, 1982	4	Yes	\$200.00	-	273
4,429,439	458,474	Feb. 7, 1984	Jan. 17, 1983	4		\$200.00		170
**4,432,000	380,681	Feb. 14, 1984	Aug. 26, 1981					
Subtotals						\$1,400.00	\$100.00	
Total Amount Paid						\$1,500.00		

The Commissioner is hereby authorized to charge any deficiency in the required fee or to credit any overpayment to Account No. 12-3456.

Respectfully submitted,

John Doe
(703) 557-3054

*Note: Information from original patent is included in parenthesis for the reissue patent for which payment is being made.

**Note: Application filing Date is the PCT International Filing Date.

The indication of the fee code used by the Patent and Trademark Office would assist in proper financial crediting within the Office. It is also suggested that the telephone number of the person submitting the payment be supplied.

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). Public Law 97-247 has taken into consideration the impact it may have on small entities.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The maintenance fee payment information collection requirement contained in the final rules has been submitted to OMB for review under Section 3504(h) of the Paperwork Reduction Act. Comments relating to this requirement should be directed to the Office of Information and Regulatory Affairs of OMB, Attention: Desk Officer for Commerce, Patent and Trademark Office.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interests, Courts, Inventions and patents, Lawyers.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, Pub. L. 96-517 and Pub. L. 97-247, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

Part I [Amended]

37 CFR, Part I, is amended as follows:

1. Section 1.1 is amended by adding a new paragraph (d) to read as follows:

§ 1.1 All communications to be addressed to Commissioner of Patents and Trademarks.

(d) Payments of maintenance fees in patents and other communications relating thereto should be additionally marked "Box M. Fee."

1.9 [Amended]

2. Paragraph (d) of 1.9 is amended by changing the citation "13 CFR 121.3-18, published on Sept. 30, 1982 at 47 FR 43273." to "13 CFR 121.12." and by changing the words "121.3-18 Definition of small business for paying reduced patent fees under Title 35, U.S. Code" to "121.12 Small business for paying reduced patent fees."

3. Section 1.17 is amended by adding to the end of paragraph (h) the following:

1.17 Patent application processing fees.

(h) ***

- 1.377 - for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent

- 1.378(e) - for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent

4. Section 1.19 is amended by adding new paragraphs (f) and (g) to read as follows:

1.19 Document supply fees.

(f) Microfiche copy of patent file record.....\$10.00

(g) Uncertified statement as to status of the payment of maintenance fees due on a patent or expiration of a patent \$3.00

5. Section 1.20 is amended by adding new paragraphs (k), (l), and (m) to read as follows:

1.20 Post-issuance fees.

(k) Surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982.....\$100.00

(l) Surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Aug. 27, 1982:

By a small entity (§ 1.9(f))\$50.00
By other than a small entity\$100.00

(m) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee on a patent based on an application filed on or after Aug. 27, 1982, where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable\$500.00

6. Section 1.33 is amended by adding a new paragraph (d) to read as follows:

§ 1.33 Correspondence respecting patent applications, reexamination proceedings, and other proceedings.

(d) A "correspondence address" or change thereto may be filed with the Patent and Trademark Office during the enforceable life of the patent. The "correspondence address" will be used in any correspondence relating to maintenance fees unless a separate "fee address" has been specified. See § 1.363 for "fee address" used solely for maintenance fee purposes.

7. A new center heading and § 1.362 is added to Subpart B to read as follows:

Maintenance Fees

§ 1.362 Time for payment of maintenance fees.

(a) Maintenance fees as set forth in § 1.20(e)-(j) are required to be paid in all patents based on applications filed on or after Dec. 12, 1980, except as noted in paragraph (b) of this section, to maintain a patent in force beyond 4, 8 and 12 years after the date of grant.

(b) Maintenance fees are not required for plant patents based on applications filed on or after Aug. 27, 1982 or for any design patents. Maintenance fees are not required for a reissue patent if the patent being reissued did not require maintenance fees.

(c) The application filing dates for purposes of payment of maintenance fees are as follows:

(1) For an application not claiming benefit of an earlier application, the actual United States filing date of the application.

(2) For an application claiming benefit of an earlier foreign application under 35 U.S.C. 119, the United States filing date of the application.

(3) For a continuing (continuation, division, continuation-in-part) application claiming the benefit of a prior patent ap-

plication under 35 U.S.C. 120, the actual United States filing date of the continuing application.

(4) For a reissue application, the United States filing date of the original non-reissue application on which the patent reissued is based.

(5) For an international application which has entered the United States as a Designated Office under 35 U.S.C. 371, the international filing date granted under Article 11(1) of the Patent Cooperation Treaty which is considered to be the United States filing date under 35 U.S.C. 363.

(d) Maintenance fees may be paid in patents without surcharge during the periods extending respectively from:

(1) 3 years through 3 years and 6 months after grant for the first maintenance fee.

(2) 7 years through 7 years and 6 months after grant for the second maintenance fee, and

(3) 11 years through 11 years and 6 months after grant for the third maintenance fee.

(e) Maintenance fees may be paid with the surcharge set forth in § 1.20(k) or (l) during the respective grace periods after:

(1) 3 years and 6 months and through the day of the 4th anniversary of the grant for the first maintenance fee,

(2) 7 years and 6 months and through the day of the 8th anniversary of the grant for the second maintenance fee, and

(3) 11 years and 6 months and through the day of the 12th anniversary of the grant for the third maintenance fee.

(f) If the last day for paying a maintenance fee without surcharge set forth in paragraph (d) of this section, or the last day for paying a maintenance fee with surcharge set forth in paragraph (e) of this section, falls on a Saturday, Sunday, or a federal holiday within the District of Columbia, the maintenance fee and any necessary surcharge may be paid under paragraph (d) or paragraph (e) respectively on the next succeeding day which is not a Saturday, Sunday, or federal holiday.

(g) Unless the maintenance fee and any applicable surcharge is paid within the time periods set forth in paragraphs (d), (e) or (f) of this section, the patent will expire as of the end of the grace period set forth in paragraph (e) of this section. A patent which expires for the failure to pay the maintenance fee will expire at the end of the same date (anniversary date) the patent was granted in the 4th, 8th, or 12th year after grant.

8. A new § 1.363 is added to Subpart B to read as follows:

§ 1.363 Fee address for maintenance fee purposes.

(a) All notices, receipts, refunds, and other communications relating to payment or refund of maintenance fees will be directed to the correspondence address used during prosecution of the application as indicated in § 1.33(a) unless:

(1) a "fee address" for purposes of payment of maintenance fees is set forth when submitting the issue fee, or

(2) a change in the correspondence address for all purposes is filed after payment of the issue fee, or

(3) a "fee address" or a change in the "fee address" is filed for purposes of receiving notices, receipts and other correspondence relating to the payment of maintenance fees after the payment of the issue fee, in which instance, the latest such address will be used.

(b) An assignment of a patent application or patent does not result in a change of the "correspondence address" or "fee address" for maintenance fee purposes.

9. A new § 1.366 is added to Subpart B to read as follows:

§ 1.366 Submission of maintenance fees.

(a) The patentee may pay maintenance fees and any necessary surcharges, or any person or organization may pay maintenance fees and any necessary surcharges on behalf of a patentee. Authorization by the patentee need not be filed in the Patent and Trademark Office to pay maintenance fees and any necessary surcharges on behalf of the patentee.

(b) A maintenance fee and any necessary surcharge submitted for a patent must be submitted in the amount due on the date the maintenance fee and any necessary surcharge are paid and may be paid in the manner set forth in § 1.23 or by an authorization to charge a deposit account established pursuant to § 1.25. Payment of a maintenance fee and any necessary surcharge or the authorization to charge a deposit account must be submitted within the periods set forth in § 1.362(d), (e) or (f). Any payment or authorization of maintenance fees and surcharges filed at any other time will not be accepted and will not serve as a payment of the maintenance fee except insofar as a delayed payment of the maintenance fee is accepted by the Commissioner in an expired patent pursuant to a petition filed under § 1.378. Any authorization to charge a deposit account must authorize the immediate charging of the maintenance fee and any necessary surcharge to the deposit account. Payment of less than the required amount, payment in a manner other than that set forth in § 1.23, or the filing of an authorization to charge a deposit account having insufficient funds will not constitute payment of a maintenance fee or surcharge on a patent. The certificate of mailing procedures of either § 1.8 or § 1.10 may be utilized in paying maintenance fees and any necessary surcharges.

(c) In submitting maintenance fees and any necessary surcharges, identification of the patents for which maintenance fees are being paid must include the following:

- (1) the patent number, and
- (2) the serial number of the United States application for the patent on which the maintenance fee is being paid.

(d) Payments of maintenance fees and any surcharges should identify the fee being paid for each patent as to whether it is the 3 1/2, 7 1/2 or 11 1/2 year fee, whether small entity status is being changed or claimed, the amount of the maintenance fee and any surcharge being paid, any assigned payor number, the patent issue date and the United States application filing date. If the maintenance fee and any necessary surcharge is being paid on a reissue patent, the payment must identify the reissue patent by reissue patent number and reissue application serial number as required by paragraph (c) of this section and should also include the original patent number, the original patent issue date and the original United States application filing date.

(e) Maintenance fee payments and surcharge payments relating thereto must be submitted separate from any other payments for fees or charges, whether submitted in the manner set forth in § 1.23 or by an authorization to charge a deposit account. If maintenance fee and surcharge payments for more than one patent are submitted together, they should be submitted on as few sheets as possible with the patent numbers listed in increasing patent number order. If the payment submitted is insufficient to cover the maintenance fees and surcharges for all the listed patents, the payment will be applied in the order the patents are listed, beginning at the top of the listing.

(f) Notification of any change in status resulting in loss of entitlement to small entity status must be filed in a patent prior to paying, or at the time of paying, the earliest maintenance fee due after the date on which status as a small entity is no longer appropriate. See § 1.28(b).

(g) Maintenance fees and surcharges relating thereto will not be refunded except in accordance with §§ 1.26 and 1.28(a).

10. A new § 1.377 is added to Subpart B to read as follows:

§ 1.377 Review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent.

(a) Any patentee who is dissatisfied with the refusal of the Patent and Trademark Office to accept and record a maintenance fee which was filed prior to the expiration of the patent may petition the Commissioner to accept and record the maintenance fee.

(b) Any petition under this section must be filed within 2 months of the action complained of, or within such other time as may be set in the action complained of, and must be accompanied by the fee set forth in § 1.17(h). The petition may include a request that the petition fee be refunded if the refusal to accept

and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

(c) Any petition filed under this section must comply with the requirements of paragraph (b) of § 1.181 and must be signed by an attorney or agent registered to practice before the Patent and Trademark Office, or by the patentee, the assignee, or other party in interest. Such petition must be in the form of a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

11. A new § 1.378 is added to Subpart B to read as follows:

§ 1.378 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent based on application filed on or after Aug. 27, 1982.

(a) The Commissioner may accept the payment of any maintenance fee due on a patent based on an application filed on or after Aug. 27, 1982, after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable and if the surcharge required by § 1.20(m) is paid as a condition of accepting payment of the maintenance fee. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

(b) Any petition to accept the delayed payment of a maintenance fee filed under paragraph (a) of this section within six months of the expiration of the patent must include:

- (1) the required maintenance fee set forth in § 1.20(h)-(j);
- (2) the surcharge set forth in § 1.20(m); and
- (3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee.

(c) Any petition to accept the delayed payment of a maintenance fee filed under paragraph (a) of this section more than six months after the expiration of the patent must include:

- (1) the required maintenance fee set forth in § 1.20(h)-(j);
- (2) the surcharge set forth in § 1.20(m); and
- (3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and the failure to timely pay the maintenance fee was due entirely to circumstances outside of the control of the patentee. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee and the circumstances which were outside of the control of the patentee and those acting on behalf of the patentee in paying the maintenance fee. The showing must be sufficient in scope and content to meet the heavy burden of proof required to show that a delay in payment of the maintenance fee of more than six months after expiration of the patent was unavoidable.

(d) Any petition under this section must be signed by an attorney or agent registered to practice before the Patent and Trademark Office, or by the patentee, the assignee, or other party in interest. Such petition must be in the form of a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

(e) Reconsideration of a decision refusing to accept a maintenance fee upon petition filed pursuant to paragraph (a) of this section may be obtained by filing a petition for reconsideration within two months of, or such other time as set in, the decision refusing to accept the delayed payment of the maintenance fee. Any such petition for reconsideration must be accompanied by the petition fee set forth in § 1.17(h). After decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner. If the delayed payment of the maintenance fee is not accepted, the maintenance fee and the surcharge set forth in § 1.20(m) will be refunded following the decision on the petition for reconsideration, or after the expiration of the time for filing such a petition for reconsideration, if none is filed. The fee set forth

in § 1.17(h) for filing the petition for reconsideration will not be refunded unless the refusal to accept and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

July 30, 1984

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1046 O.G. 28]

(46) Maintenance Fee Payments

The Patent and Trademark Office (PTO) has received inquiries concerning the PTO'S refusal to accept payment of a maintenance fee in two fact situations.

A. The PTO has refused to accept authorization to charge a maintenance fee and/or surcharge to a Deposit Account unless the paper containing the authorization to charge was timely filed and included an authorizing signature. Upon reconsideration, this requirement for a signature to authorize a maintenance fee and/or surcharge to be charged to a Deposit Account is abolished since papers concerning maintenance fees are not considered to be papers filed in the application under 37 CFR 1.33(a).

Request for refunds due to the above-noted change in practice should be directed to the Refund Section of the Accounting Division of the Office of Finance.

B. The PTO has refused to accept the maintenance fee and surcharge specified in a Maintenance Fee Reminder mailed prior to April 17, 1989, but paid on or after April, 17, 1989. New fees effective April 17, 1989, raised the amount due for maintenance fees and surcharges. However, Maintenance Fee Reminders mailed prior to that date reflected the old fees. Some patentees have submitted the amount requested on the Maintenance Fee Reminder only to have the PTO refuse to accept those fees due as being insufficient. Often, the PTO notice that the amount tendered is insufficient is received after the expiration date of the patent under 37 CFR 1.362(g).

The amount of the maintenance fee required by statute is based upon the date of effective receipt in the PTO. The amount of the surcharge needed for payment during the six month grace period is set by regulation. The PTO will accept the payment submitted under the following conditions:

(1) the total amount submitted for the maintenance fee and surcharge was at least the amount of the maintenance fee required by statute based upon the date of receipt in the PTO and was the total amount requested in the Maintenance Fee Reminder for the patent;

(2) the amount submitted was paid prior to expiration of the patent under 37 CFR 1.362(g);

(3) the insufficiency in payment of the maintenance fee and surcharge is discovered after expiration of the patent under 37 CFR 1.362(g); and

(4) a petition under 37 CFR 1.183 is promptly filed after discovery of the insufficiency in payment of the maintenance fee and surcharge. The petition must request (a) that the amount previously paid be accepted as the maintenance fee required by statute; (b) that the amount submitted above that required for the maintenance fee be accepted as the surcharge; (c) that the holding of expiration be withdrawn; and (d) that no petition fee be required. The petition must state the date the insufficiency in payment of the maintenance fee and surcharge was discovered. The petition must also include a statement that the person who authorized or instructed that the maintenance fee and surcharge be paid was not aware of the fee increase. Such statement must be verified if made by a person not registered to practice before the PTO.

Petition under 37 CFR 1.183 should be directed to the Office of the Deputy Assistant Commissioner for Patents.

October 4, 1989

DONALD J. QUIGG
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1107 OG 78]

(47) Mailing of Maintenance Fee Statements and Related Notices

On June 23, 1992, the Office published a notice at 1139 OG 123 requesting comments from maintenance fee customers regarding the impact of planned changes in procedures that would enable the Patent Maintenance Division to reach the goal of returning statements within 30 days of initial receipt and mailing all other maintenance fee related notices within 2 weeks. The introduction of automated mailing equipment is a key initiative which would allow the Division to promptly and efficiently process the more than 200,000 mailings this fiscal year.

Continuing to use today's manual mailing procedures will result in a 60 day turnaround time for customers to receive their statements unless an additional 3 staff members are hired at an annual cost of \$60,000. An automatic mailing system can be purchased at a onetime cost of \$15,000 allowing the Office to return statements in 30 calendar days without hiring additional staff.

Three specific changes to current practices are required to ensure that the Office can take full advantage of automated mailing technology to improve the overall level of services to the greatest number of customers.

First, the correspondence submitted to the Office at the time the maintenance fee is paid will no longer be returned with the payment statement. Only the payment statement itself will be returned. Should any questions arise regarding payment, proof of payment could continue to be verified through presentation of the statement, a cancelled check, or by reference to the Patent and Trademark Office deposit account statement. The Office's automated maintenance fee records and financial systems would continue to record and document all maintenance fee payments.

Second, the mailing of maintenance fee reminder notices will be streamlined by eliminating the "Part B" copy. Less than 2% of the patent owners who submit payment after receipt of the reminder notices return the "Part B" copy. Eliminating the mailing of this copy will increase the number of statements which can be mailed daily and eliminate the need to design and purchase specially notched paper for proper collation with the new equipment.

Third, the mailing of patent expiration notices would be streamlined by eliminating the "Part B" copy. Less than 0.5% of these "Part B" copies are returned by owners who wish to communicate with the Office after the receipt of the notice. Eliminating the mailing of this copy will also increase the number of notices which can be mailed daily and eliminate the need for notched paper.

Informal discussions with a cross-section of patent maintenance fee customers confirm that the impact of the three changes would be minimal, especially if the alternative were long delays in receiving statements and/or additional costs to the Office. No negative comments were received in response to the June 23, 1992, notice in the *Official Gazette*.

The above three changes will take effect with the installation of mailing equipment on Sept. 21, 1992.

In addition to the above changes, the Patent Maintenance Division is now accepting maintenance fee payments, when charged to a deposit account, via facsimile. Other services in regards to patent maintenance fee related documents are also available via facsimile. The Patent Maintenance Division fax number is (703) 308-7110.

If you have any question or concerns regarding the changes to patent maintenance processing or facsimile services, please contact:

Teresa Knight, Program Analyst
Patent Maintenance Division
North Tower, 10B10
U.S. Patent & Trademark Office
Washington, D.C. 20231
Telephone: (703) 308-9750
FAX No.: (703) 308-7110

Aug. 19, 1992

THERESA A BRELSFORD
*Assistant Commissioner for
Public Services and Administration*

[1142 OG 42]

(48)

(48) **Department of Commerce
Patent and Trademark Office
37 CFR Part I
[Docket No. 50725-5025]**

Revision of Patent Fees

Agency: Patent and Trademark Office, Commerce

Action: Final Rule

Summary: The Patent and Trademark office is amending the rules of practice in patent cases, Part I of title 37, Code of Federal Regulations to adjust fee amounts. This action is necessary at this time because operating costs have increased over the past three years and the Commissioner is authorized by § 41(f) of title 35, United States Code, to adjust fees established in § 41(a) and § 41(b) of title 35, United States Code, on Oct. 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index. Fees for other processing, services or materials related to patents as provided by § 41(d) and § 376 of title 35, United States Code, are being adjusted to recover the estimated average cost to the Office of such processing, services or materials.

Effective Date: Oct. 5, 1985.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 557-1610 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to adjust patent fees because costs have increased and the Commissioner is authorized to (1) adjust statutory patent fees set forth in § 41(a) and § 41(b) of title 35, United States Code, to reflect fluctuations occurring during the previous three years in the Consumer Price Index (CPI), as authorized by § 41(f) of title 35, United States Code, (2) adjust fees for processing, services, or materials related to patents which have been established by the Commissioner in accordance with § 41(d) of title 35, United States Code, to recover the estimated average cost to the Office of such processing, services or materials, and (3) adjust fees for filing and processing an application under the Patent Cooperation Treaty which have been established by the Commissioner to recover the estimated average cost of such processing in accordance with Section 376 of title 35, United States Code.

Adjustments to fees for filing and processing a trademark application and for other processing, services or materials related to trademarks were not proposed at this time, pending review of trademark automation cost requirements.

A notice of proposed rulemaking was published in the *Federal Register* on June 21, 1985, at 50 FR 25896-25902. Corrections of typographical errors were published on July 1, 1985, at 50 FR 27030, and on July 15, 1985, at 50 FR 28596. The notice also was published in the *Official Gazette* on July 2, 1985, at Vol. 1056, pages 6 through 25. An oral hearing was held on July 18, 1985. Fifteen written letters and statements were submitted. One person testified at the oral hearing. Full consideration has been given to all of these letters, statements, and testimony.

Background Information: Patent and Trademark Office fees are authorized by sections 41 and 376 of title 35, United States Code. Section 41(a) of title 35, United States Code, establishes a number of statutory fees. Among the more significant of these are fees for filing a patent application and issuing a patent. Certain other fees, such as appeal fees, the fee for filing a disclaimer, fees for filing petitions seeking to revive an abandoned application and for extensions of time also are set in § 41(a) of title 35, United States Code. Section 41(b) of title 35, United States Code, sets forth the statutory fees for maintaining a patent in force if the application was filed on or after Aug. 27, 1982.

The provisions of Public Law 96-517 also authorize maintenance fees for applications other than design and plant patent applications filed on or after Dec. 12, 1980 and before Aug. 27, 1982. These maintenance fees are to recover 25 percent of the estimated cost to the Office of processing patent applications.

Section 1 of Public Law 97-247 authorized the reduction by 50 percent in the fees paid under § 41(a) and § 41(b) of title 35, United States Code, by independent inventors, small business concerns, and nonprofit organizations, who meet the definitions established. This authorization will expire on Sept.

30, 1985. Legislation has been introduced to authorize this reduction for an additional three years. If such authority is not continued, the small entity reduction will be rescinded and appropriate amendments to the regulations will be made.

Section 41(f) of title 35, United States Code, provides that fees established in § 41(b) of title 35, United States Code, "may be adjusted by the Commissioner on Oct. 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor." Section 41(f) also provides that changes of less than one percent may be ignored.

Policy for applying the Consumer Price Index: The Department of Labor's Consumer Price Index (CPI) is made public approximately twenty-one days after the end of the month being calculated. The time lag between the initiation and the completion of the rulemaking process dictated that the Mar. through Sept. 1985 inflation rate be projected in the original rulemaking proposal. This estimate resulted in a cumulative three-year CPI of 11.7 percent applied to patent fees.

Based upon actual data through June 1985 and projecting the CPI to Sept. 30, 1985, the Administration's revised projected cumulative CPI for the three-year (1982-1985) period is 11.8 percent. The Patent and Trademark Office has used the 11.8 percent projection in adjusting the fees established in § 41(a) and § 41(b) of title 35, United States Code. The revised CPI projection has not caused a change from the proposal in any of the § 41(a) and § 41(b) fees.

After application of the 11.8 percent projected fluctuation in the CPI to fees set forth in § 41(a) and § 41(b), amounts for all non-small entity fees were rounded by applying standard arithmetical rules so that the amounts rounded would be de minimis and convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees below \$100 were rounded to the nearest even number so that all comparable small entity fees would be in whole numbers. Section 41(d) of title 35, United States Code, provides that the "Commissioner will establish fees for all other processing, services, or materials related to patents" which are not covered in § 41(a) and § 41(b) of title 35, United States Code, "to recover the estimated average cost to the Office of such processing, services or materials."

Section 376 of title 35, United States Code, authorizes the Commissioner to set fees for patent applications filed under the Patent Cooperation Treaty. The fees under the Patent Cooperation Treaty are keyed to full cost recovery of the processing costs under the Treaty.

The general guidelines used by the Patent and Trademark Office in determining the non-statutory fees are set forth in OMB Circular A-25. Costs were determined from the best available records and included direct and indirect costs to the Office of carrying out the activity.

Since these non-statutory fees are expected to remain in place for the three year fee cycle 1986-1988, the calculated costs were then adjusted by a mid-cycle inflation rate of 6.21 percent derived from the Administration's inflation projection. After application of the projected mid-cycle inflation rate, amounts were rounded by applying standard arithmetical rules so that the amounts rounded would be de minimis and convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$2 and \$99 were rounded to the nearest whole number. Fees under \$2 were rounded for convenience.

The fees established under § 41(d) and § 376 of title 35, United States Code have been modified from the proposal. For the first fee cycle (1983-1985), fees established under § 41(d) and § 376 were set in the aggregate to recover the estimated average cost to the Office of processing, services and materials as defined in PTO budget documents. Because of the significant increase in fees that was instituted on Oct. 1, 1982, as well as the establishment of new fees, the PTO did not have the necessary experience to accurately predict (nor could it control) fee volumes for the first fee cycle. First cycle fees were thus set at levels sufficient to maintain financial solvency despite possible fluctuations in costs or in workload. Fee amounts in most cases also were set at convenient integers (e.g., \$5 or \$10). For the second fee cycle (1986-1988), the PTO had proposed to set fees established under § 41(d) and § 376 using the same methodology. Several comments to the proposed rules suggested that the PTO should establish § 41(d) and § 376 fees to more precisely recover the estimated average cost to the Office of the processing, service or material. The fees have been

modified to reflect the following: (1) PTO experience over the past two and one-half years in predicting fee volumes, (2) virtual elimination of the reserve income for fluctuations in cost or workload, and (3) greater reliance upon and use of the individual fee costs developed by the PTO's Office of Finance.

It is intended that the amount of any fee due and payable on or after Oct. 5, 1985 is the amount set in this rulemaking. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing, where authorized under § 1.8 of title 37, Code of Federal Regulations, will be considered to be the date of receipt in the Office. A "Certificate of Mailing under § 1.8" is *not* "proper" for items which are specifically excluded from the provisions of § 1.8. Section 1.8 of title 37, Code of Federal Regulations, should be consulted for those items for which a Certificate of Mailing is *not* "proper". Such items include, *inter alia*, the filing of national and international applications for patents and the filing of trademark applications. The provisions of § 1.10 of title 37, Code of Federal Regulations relating to filing of papers and fees by "Express Mail" with certificate, however, do apply to *any paper or fee* (including patent and trademark applications) to be filed in the Office. If an application or fee is filed by "Express Mail" with a certificate of mailing dated on or after Oct. 5, 1985, the amount of the fee to be paid is the fee established herein if a change is being made in the fee.

It is further intended that the amount due and payable for services provided in Fiscal Year 1986 will be the amount set in this rulemaking even if the fee becomes due prior to Oct. 5, 1985. Such fees include, but are not limited to, the annual service charge for subscription services (§ 1.19(c)(1)) and the annual rental for a delivery box (§ 1.21(d)).

In order to ensure clarity in the implementation of the fee proposals, a discussion of specific sections is set forth below:

Discussion of Specific Rules

Section 1.16 National application filing fees

Section 1.16 is amended to adjust patent application filing fees established in § 41(a) of title 35, United States Code and set forth in paragraphs (a)-(d) and (f)-(j) of this section to reflect fluctuations in the Consumer Price Index.

Section 1.16, paragraph (e) is amended to adjust the patent application surcharge fee authorized by § 111 of title 35, United States Code. Paragraph (e) has been modified from the proposal to limit the adjustment to the surcharge fee to changes which occurred during the past three years in the Consumer Price Index.

Section 1.17 Patent application processing fees

Section 1.17 is amended to adjust patent application processing fees established in § 41(a) of title 35, United States Code, and set forth in paragraphs (a)-(g), (l) and (m) of this section to reflect fluctuations in the Consumer Price Index. The wording of paragraph (l) has been broadened to include reference to applications abandoned under § 371(d) of title 35, United States Code.

Section 1.17, paragraphs (h)-(k) are amended to adjust the patent application processing fees authorized by § 41(d) of title 35, United States Code, to recover the estimated average cost to the Office of such processing. Paragraphs (h)-(k) have been modified from the proposal to more precisely recover the estimated average cost to the Office of processing petitions to the Commissioner, public use proceedings, and non-English language specifications.

Section 1.18 Patent issue fees

Section 1.18 is amended to adjust patent issue fees established in § 41(a) of title 35, United States Code and set forth in paragraphs (a)-(c) of this section to reflect fluctuations in the Consumer Price Index.

Section 1.19 Document supply fees

Section 1.19 is amended to adjust the fees authorized by § 41(d) of title 35, United States Code for services and materials as set forth in paragraphs (a)-(c), (e) and (f) of this section to recover the estimated average cost to the Office of the specified

services and materials. Paragraphs (a)-(c) have been modified from the proposal to more precisely recover the estimated average cost to the Office of supplying the documents specified in these paragraphs. Section 1.19 has been modified further to reduce the fees specified in paragraphs (e) and (f), which were not proposed for adjustment to more precisely recover the estimated average cost to the Office of supplying the documents.

Section 1.19, paragraph (a) is amended further to clarify the services and documents provided. It would provide for copies of specific documents at a flat fee. Copies of general Office records would be provided at a per page fee. Paragraph (a)(4) has been modified from the proposal to provide copies of a patent file wrapper and its contents at \$75 for each 200 pages or a fraction thereof.

Section 1.19, paragraph (b) is amended further to delete subparagraph (3). A flat fee for comparing and certifying copies of documents made from Office records is provided in new paragraph (i) of this section.

Section 1.19, paragraph (c) is amended further to provide for ten subclasses with the annual service charge.

Section 1.19 is amended to provide in new paragraph (h) a \$10 per document flat fee for an uncertified copy of a non-United States patent document. This fee would apply to copies of foreign patent applications such as those which are published at 18 months or when allowable for opposition.

Section 1.19 is amended to provide in new paragraph (i) a flat fee for comparison and certification of each copy of a document made from Office records but not prepared by the Office.

Section 1.19 is amended to provide in new paragraph (j) a fee for duplicate filing receipts and corrected filing receipts due to applicant error.

Paragraphs (i) and (j) have been modified from the proposal to more precisely recover the estimated average cost to the Office of supplying the documents specified.

Section 1.20 Post-issuance fees

Section 1.20, paragraphs (a)-(c) are amended to adjust patent post-issuance fees authorized by § 41(d) of title 35, United States Code, to recover the estimated average cost to the Office of such processing. Section 1.20 has been modified from the proposal to more precisely recover the estimated average cost to the Office of the post-issuance fees set forth in paragraphs (b)-(c). Section 1.20 has been modified further to reduce the fee set forth in paragraph (a), which was not proposed for adjustment, to more precisely recover the estimated average cost to the Office of providing a certificate of correction.

Section 1.20, paragraphs (d) and (h)-(j), are amended to adjust patent post-issuance fees established in § 41(a) and § 41(b) of title 35, United States Code, to reflect fluctuations in the Consumer Price Index.

Section 1.20, paragraphs (e)-(g), are amended to adjust post-issuance fees authorized by Section 2 of Public Law 98-622. These fees must be set at a level to eventually recover 25 percent of the estimated cost to the Office of processing patent applications. In order to achieve this level of recovery, these maintenance fees are adjusted to reflect fluctuations in the Consumer Price Index.

Section 1.20, paragraph (k), is amended to adjust the patent maintenance surcharge fee authorized by Section 2 of Public Law 96-517. Paragraph (k) has been modified from the proposal to limit the adjustment to the surcharge fee to changes which occurred during the past three years in the Consumer Price Index.

Section 1.20, paragraph (l), is amended to adjust the post-issuance fee authorized by § 41(b) of title 35, United States Code. Paragraph (l) has been modified from the proposal to limit the adjustment to the surcharge fee to changes which occurred during the past three years in the Consumer Price Index.

Section 1.21 Miscellaneous fees and charges

Section 1.21 is amended to adjust the miscellaneous fees and charges authorized by § 41(d) of title 35, United States Code and set forth in paragraphs (a)-(f), (h) and (i) of this section to recover the estimated average cost to the Office of such processing. Section 1.21 has been modified from the proposal to more precisely recover the estimated average cost to the Office

of the miscellaneous services for which fees were set forth in paragraphs (a)(2)-(a)(6), (b)(1), (d)-(f), (h)(1) and (i). Section 1.21 has been modified further to reduce the fees specified in paragraphs (c) and (h)(2), which were not proposed for adjustment, to more precisely recover the estimated average cost to the Office of those services.

Section 1.21, paragraph (g), is modified from the proposal to change the term "copy machine tokens" to "Copi-Sharecard."

Section 1.21, paragraph (k), is amended to change the word "section" to "part" to clarify that any charge not provided for in these rules would be made at actual cost.

Section 1.21 is amended to provide in new paragraph (m) a \$20 fee for processing checks returned "unpaid" by a bank.

Section 1.24 Coupons

Section 1.24 is amended to adjust the fee for the purchase of coupons for patents to make it comparable to the fee required for the purchase of U.S. patents.

Section 1.24 is amended to delete reference to forty cent coupons which are no longer sold by the Patent and Trademark Office.

Section 1.25 Deposit accounts

Section 1.25 is amended to establish a restricted subscription deposit account to be used exclusively for subscription orders of patent copies as issued. A minimum deposit of \$300 is required to establish and maintain, without payment of a monthly service fee, a restricted subscription deposit account.

Section 1.26 Refunds

Section 1.26 is amended to change paragraph (c) to provide for a refund of \$1,300 if the Commissioner decides not to institute reexamination proceedings. The \$1,300 refund would apply to those instances where the reexamination fee of \$1,770 under § 1.20(c) was paid. The current \$1,200 refund will be made in those cases where the current \$1,500 reexamination fee was paid.

Section 1.53 Serial number, filing date, and completion of application.

Section 1.53 is amended to change paragraph (c) to reduce to \$15 the handling fee charged in the event a specification or drawing is not submitted within the time period set by the Office. Section 1.53 has been modified to more precisely recover the estimated average cost to the Office of handling an application with missing parts.

Section 1.297 Publication of statutory invention registration

Section 1.297, paragraph (b), is amended to modify the statement to be printed on each statutory invention registration. The language of the statement is modified so as to be more easily understood.

Section 1.445 International application filing and processing fees

Section 1.445, paragraphs (a)(1)-(a)(4), are amended to adjust the fees authorized by § 376 of title 35, United States Code, for international application processing to recover the estimated average cost to the Office of such processing. The cost of the international search fee set forth in paragraph 1.445(a)(2)(i) has been reduced and the amount credited by the Office under paragraph 1.445(a)(2)(ii) is not changed. Paragraphs (a)(1) and (a)(3) have been modified from the proposal to more precisely recover the estimated average cost to the Office of processing international applications. However, the amount of the credit under 1.445(a)(4) is somewhat less than at present and is the same as in the proposed rules.

Section 1.445(a)(5) is amended to adjust the surcharge authorized by § 371(d) of title 35, United States Code. Paragraph (a)(5) has been modified from the proposal to limit the adjustment to the surcharge fee to changes which occurred during the past three years in the Consumer Price Index and

to provide for a small and large entity amount to be consistent with § 1.16(e).

Section 1.445(a)(6) is amended to adjust the processing fee for an English translation filed after 20 months from the priority date to recover the estimated average cost to the Office of such processing. Paragraph (a)(6) has been modified from the proposal to more precisely recover the estimated average cost to the Office of processing an English translation and to be consistent with § 1.17(k).

Section 1.446 Refund of international application filing and processing fees.

Section 1.446 is amended to delete paragraph (b). The substance of the deleted material is included in section 1.445, paragraph (a)(4).

Response to Comments on the Rules

Specific comments were received on a number of the proposed rule changes. Fifteen letters submitting written comments and eight questions by telephone were received. Oral testimony was presented by one person at the public hearing conducted on July 18, 1985. All of the written and oral comments were considered in adopting the changes set forth herein. The comments submitted appear below along with responses thereto.

Comment:

PTO fees are already too high and burdensome to the patent community.

Reply:

There has been no indication that PTO fees are burdensome to the patent community. In 1984, we expected to receive 107,000 patent applications and actually received 109,539. In 1985, we are currently receiving applications at an annual rate of approximately 116,000.

The PTO is adjusting patent processing and patent service fees because costs have increased. The Commissioner may adjust patent statutory fees by changes which have occurred during the past three years in the Consumer Price Index (CPI). This authority is provided by 35 U.S.C. 41(f). The intent of the Congress in indexing the statutory patent fees set in 1982 to the CPI was to assure that a precipitous drop in the level of recovery did not occur due to inflation. Indexing of statutory patent fees was not intended to raise additional revenues beyond the rate of inflation.

The Commissioner also is authorized to adjust non-statutory patent fees to recover the estimated average cost to the Office of processing, services and materials. This authority is provided by 35 U.S.C. 41(d). As previously discussed, several of the proposed fees have been modified to more precisely recover the estimated average cost to the Office of processing, materials and services.

Comment:

PTO has failed to abide by the provisions of Public Law 96-517 and the accompanying report (House Report 96-1307). Specifically, the PTO has failed to abide by the 50 percent recovery limitation for patent processing fees and the restrictions on the use of fee income.

Reply:

Public Law 96-517, although enacted into law, was never fully implemented because the Congress passed H.R. 6260 which was enacted as Public Law 97-247 on Aug. 27, 1982. Public Law 97-247 provides for an eventual 100 percent cost recovery through processing and maintenance fees except for the subsidy for certain small entities, and contains no restrictions on the use of income from fee revenues.

This rulemaking adjusts, by the Consumer Price Index (CPI), the patent processing (41(a)) and patent maintenance (41(b)) fees established by Public Law 97-247. The CPI adjustment allows the programs supported by § 41(a) and (b) fees to keep pace with inflation. Any growth in the aggregate rate of recovery of fees versus costs in this second cycle of fees is due primarily to the first time collection of maintenance fee receipts.

The restrictions on the use of income from fee revenues, which were included in House Report 96-1307 accompanying Public Law 96-517, were based upon a 50 percent recovery of patent costs from user fees. Then-Commissioner Mossinghoff testified before the Subcommittee on Courts, Civil Liberties, and Administration of Justice, when Congress was considering H.R.

6260, that the Administration's PTO user fee program was proposed to improve the quality of service at the PTO by reducing patent pendency, trademark pendency and automating patent and trademark operations. The Commissioner went on to say that "The major increases in the three program areas will be paid for by the sharp increase in user fees that we are recommending." The Congressional debate on this proposal indicates that the Subcommittee approved these innovative fee provisions in order to improve the level of patent and trademark services provided to users of the Office.

Comment:

Fees should relate to the actual "costs of processing patent applications" and should not include "overhead" expenses.

Reply:

The fees applicable to patent filing, issuance and maintenance fees were established by the Congress and set forth in 35 U.S.C. § 41(a) and (b). Regardless if Congress included "overhead" expenses when setting these statutory patent fees, these fees may be adjusted only to reflect the fluctuations in the CPI every three years. Fees for other processing, services or materials related to patents are set by the Commissioner pursuant to 35 U.S.C. 41(d) to recover the Office's estimated average cost. The legislative history of Public Law 97-247, including the accompanying House Report, does not provide guidance regarding how "estimated average cost" was to be determined. These fees were determined under the general guidelines of OMB Circular A-25, entitled "User Charges," which established general policies for developing an equitable and uniform system of charges for certain government services and property. Circular A-25 provides that a reasonable charge should be imposed to recover the full cost to the Government of rendering a service to an identifiable recipient, who receives a substantial benefit not accruing to the general public, e.g., receiving a patent. The concept of full cost recovery includes an appropriate overhead charge. Therefore, the inclusion of overhead expenses in calculating the costs of processing patent applications is appropriate.

Comment:

The PTO does not include a description of any cost containment measure.

Reply:

The PTO has taken all possible measures to contain costs. During fiscal year 1985, a zero-based analysis was conducted of all programs and their associated funding. The purpose of the review was to assure that adequate resources were available to meet the PTO's most important priorities while addressing unanticipated costs such as, the full absorption of the fiscal year 1985 pay raise, new pay scale for patent examiners, higher postal and telephone rates, greater use of PTO services, etc. The PTO's annual budget request is thoroughly reviewed by the Department of Commerce, by the Office of Management and Budget, and by the Congressional Appropriations Committees prior to enactment. The PTO is complying with the President's Deficit Reduction Program. The fiscal year 1986 budget request reflects reductions to travel, printing and consultants as required by the Deficit Reduction Act of 1984; administrative cost savings; and grade reductions and pay cuts. The PTO program to reduce patent pendency, once achieved in 1987, will require less resources than are currently expended. The Automation program, too, as it achieves its major milestones, will deliver cost benefits.

Comment:

The PTO has proposed to adjust fees because costs have increased but they did not include an explanation of how costs were calculated.

Reply:

Patent statutory fees, which are set forth in 35 U.S.C. 41(a) and (b), can be adjusted on Oct. 1, 1985 and every three years thereafter to reflect fluctuations which have occurred in the Consumer Price Index (CPI). The costs of processing a patent application from receipt to issue or abandonment were calculated in 1982 at the time the present fees were set by statute. The most significant elements of processing a patent application are compensation costs, space and the costs incurred for printing the *Official Gazette* and patent grants.

As a result of these increases to the major costs incurred in the processing of a patent application, the PTO is adjusting the statutory 41(a) and (b) patent fees by the full CPI of 11.8 percent in order to recover the projected budgeted collections for patent processing for the years 1986-1988.

Non-statutory patent and patent service fees are being set to recover the estimated average cost to the Office over the next three years (1986-1988) of processing, services and materials. Costs for goods and services were determined under the general guidelines set forth in OMB Circular A-25 entitled "User Charges," which establishes general policies for developing an equitable and uniform system of charges for certain Government services and property. The cost of all processing, services and/or materials associated with each non-statutory (§ 41(d)) patent fee was determined. Since these fees are expected to remain in place for three years (1986-1988), each cost was adjusted by a mid-cycle inflation rate of 6.21 percent which was derived from the Administration's 1986-1988 inflation projection.

Comment:

The PTO has proposed to set § 41(d) fees at a level which exceeds the estimated average cost to the Office. PTO's cost calculations do not support the proposed § 41(d) fees.

Reply:

Fees established pursuant to 35 U.S.C. 41(d) and 376, non-statutory patent and patent service fees, are being set to recover the estimated average cost to the Office over the next three years (1986-1988) of processing, services and materials. Costs for goods and services were determined under the general guidelines set forth in OMB Circular A-25 entitled "User Charges," which establishes general policies for developing an equitable and uniform system of charges for certain Government services and property.

The PTO employed cost-finding techniques for determining the costs of all processing, services and/or materials associated with each non-statutory patent fee. These costs were documented by the Director, Office of Finance and reviewed by each responsible Assistant Commissioner. Since the revised fees are expected to remain in place for the next three years (1986-1988), each cost was adjusted by the mid-cycle inflation rate of 6.21 percent. The fee was then set based upon this inflated cost.

For the first fee cycle (1983-1985), fees established under 41(d) and 376 were set in the aggregate to recover the estimated average cost to the Office of processing, services and materials as defined in PTO budget documents. Because of the significant increase in fees that was instituted on Oct. 1, 1982, as well as the establishment of new fees, the PTO did not have the necessary experience to accurately predict (nor could it control) fee volumes for the first fee cycle. First cycle fees were thus set at levels sufficient to maintain financial solvency despite possible fluctuations in costs or in workload. Fee amounts in most cases also were set at convenient integers (e.g., \$5 or \$10). For the second fee cycle (1986-1988), the PTO had proposed to set fees established under 41(d) and 376 using the same methodology. Several comments to the proposed rules suggested that the PTO should establish 41(d) and 376 fees to more precisely recover the estimated average cost to the Office of the processing, service or material. The fees have been modified to reflect the following: (1) PTO experience over the past two and one-half years in predicting fee volumes, (2) virtual elimination of the reserve income for fluctuations in cost or in workload, and (3) greater reliance upon and use of the individual fee costs developed by PTO financial analysts.

In modifying the proposed fees, the PTO used the raw cost data derived for each fee, adjusted that amount by the projected mid-cycle inflation rate of 6.21 percent, and rounded the adjusted cost by applying standard arithmetical rules. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$99 and \$2 were rounded to the nearest whole number. Fees under \$2 were rounded for convenience.

Comment:

The increase in maintenance fees appears to be driven by non-cost considerations. Since they have just begun to be collected, there could be no actual cost histories on which to base the adjustments.

Comment:

The increase in claim fees seem to be proposed without any seemingly real increase in cost specifically attributable to these items.

Reply:

Patent statutory fees such as claim and maintenance fees, which are set forth in 35 U.S.C. 41(a) and (b), may be adjusted every three years to reflect changes which have occurred in the Consumer Price Index (CPI) for the prior three years. The costs

of processing, issuing and maintaining patents were calculated in 1982 at the time the present fees were set by statute. Patent maintenance fees as set forth in both Public Laws 96-517 and 97-247 are one of several sources of income available to the PTO to cover the costs of processing, issuing and maintaining a patent. The most significant elements of processing, issuing and maintaining patents are personnel compensation, benefits, space and printing costs. Since 1982, these costs have risen in an amount equal to and in some cases, in an amount exceeding, the CPI increase for the individual year.

As a result of these cost increases, the PTO is adjusting 41(a) and 41(b) patent fees and the Public Law 96-517 maintenance fees by the full CPI of 11.8 percent.

Comment:

PTO's proposed adjustments to 41(a) and 41(b) fees are higher than the 11.7 percent fluctuation in the Consumer Price Index because of the rounding principles PTO has applied.

Reply:

The intent of the Congress in indexing the statutory patent fees, 35 U.S.C. 41(a) and (b), to the CPI was to assure that a precipitous drop in the level of recovery did not occur due to inflation with regard to the fees set in 1982. Indexing of statutory patent fees was not intended to be a method of raising additional revenues, nor has the PTO used it for that purpose, but rather for administrative ease. Rounding will ease the administration of these fees by permitting the PTO and users to deal in increments of ten when the adjusted fee is \$100 or greater or in even amounts when the fee is below \$99. This will ease implementation of the 50 percent reduction in fees for small businesses, non-profit organizations and individuals. Moreover, any surpluses which may result are for the short-term only. By applying routine techniques, there should be a balancing out of shortfalls and surpluses in the long-run.

Comment:

The fee for a deferred declaration under 34 U.S.C. 111 should be changed so that such a fee would only be required if the declaration were filed later than three months from the actual filing date.

Reply:

The suggestion for permitting the declaration to be filed up to three months after the actual filing date without a surcharge has not been adopted. It would place administrative burdens on the Office since it would encourage the late filing of oaths or declaration.

Comment:

There appears to be no justification for the significant increase to the surcharge fees.

Reply:

In proposing adjustments to penalty surcharge fees, the PTO considered the costs incurred in providing special handling to certain cases, and proposed to set the fee at a level that would recover costs and preclude unnecessary resort to pertinent procedures but not so high as to be burdensome where resort to these procedures is necessary. In response to several comments received on the proposed surcharge fees, the proposal has been modified to limit the adjustments to surcharge fees set forth in 1.16(e), 1.20(k), 1.20(l) and 1.445 (a)(5) to changes which have occurred during the past three years in the Consumer Price Index.

Comment:

Patent Cooperation Treaty (PCT) fee increases far exceed the 11.7 percent average increase applied to national applications. This increase could seriously affect use of PCT system.

Reply:

The PCT fees set under 35 U.S.C. 376 are based on cost recovery and are not adjusted by the Consumer Price Index. The fees under 1.445 are set to reflect estimated average processing costs. A reduction was made in the amount of the international search fee if performed by the U.S. Patent and Trademark Office. While the credit for a prior U.S. search is unchanged and other PCT fees are increased, the overall adjustment level of PCT fees is generally in line with the CPI.

Comment:

The small entity reduction should be adopted for the PCT surcharge.

Reply:

The final rule has been modified from the proposal to provide for small and large entity amounts in 1.445(a)(5). This is to correspond to a similar fee in 1.16(e).

Comment:

The proposed fees for a copy of a patent file wrapper and its contents (1.19(a)(4)) are unfair at the breakpoint. It would be more equitable to charge \$75 for each 200 pages or fraction thereof.

Reply:

In proposing a fee of \$75 for up to 200 pages and \$350 for 201 pages or more for a copy of a patent file wrapper and its contents, the PTO was attempting to move to a flat fee for this service. Since there were objections to the breakpoint, the final rule has been modified from the proposal to reflect a fee of \$75 for each 200 pages or fraction thereof.

Comment:

The proposed increase in 1.20(c) regarding requests for reexamination and the related decrease in 1.26(c) relating to refunds where reexamination is not ordered, appeared to be set from a revenue generating standpoint rather than being cost-driven.

Reply:

While the comment does not suggest what the fees should be, it is noted that the two fees have to be considered together. The notice of proposed rulemaking set a fee of \$1,800 for filing a request for reexamination, which was an increase from the previous fee of \$1,500. This fee has been modified from the proposal and is now set at \$1,770. The refund where reexamination is denied was proposed to be raised from \$1,200, to \$1,300, which raises the refund from the amount previously refunded. The amount refunded has not changed from the proposal. The relative amounts of the initial fee and the refund are set to obtain the necessary recovery of costs from reexamination.

Comment:

A separate schedule of fees should be instituted for interference proceedings, but such fees should apply only to junior parties, since interferences are conducted primarily for their benefit.

Reply:

The rules already provide for certain fees relating to interference proceedings; see § 1.644(e) and (f), and § 1.666(b) and (c). In general, however, the PTO decided in 1982 that the costs of interference proceedings should be factored into the fees charged in connection with the processing and examination of patent applications, because (1) an interference is a proceeding instituted by the PTO, and (2) it would not be administratively feasible to attempt to provide a fee schedule to cover the myriad of different situations which may occur in the course of an interference. Since these reasons are still considered applicable, the suggestion has not been adopted.

Comment:

The proposed fee for admission to the examination (1.21(a)(1)) for registration to practice is too high for students who often sit for the exam and it is inappropriate because administering the exam is not a service to the public but a cost of operating the PTO.

Reply:

The fee for admission to the examination for registration to practice reflects the costs of conducting the examination twice a year nationwide. The significant increase is due to the fact that the fee had been understated in relation to cost during the 1983-1985 fee cycle. Fees established in this rulemaking will more precisely recover the estimated average cost to the Office of administering and grading the examination and are consistent with the cost recovery principles of OMB Circular A-25.

Comment:

The proposed fee for requesting a regrading of an examination (1.21(a)(6)) should be waived if the regrading request was necessitated by a PTO error.

Reply:

Any fee may be refunded if paid by mistake or paid in excess of that required. See 35 U.S.C. 42(d).

Comment:

The PTO should retain the present fee for admission to the examination to practice before the Office (1.21(a)(1)) and increase the fee payable upon registration to practice (1.21(a)(2)).

Reply:

This suggestion has not been adopted in this rulemaking. The fees for admission to the examination and for registration to practice have been set to recover the cost of those services.

Comment:

The proposed fee for reviewing a decision of the Director of Enrollment and Discipline (1.21(a)(5)) appears to be low in

view of the significant amount of time and effort involved in a review.

Reply:

The fee for this service, as modified, recovers the estimated average cost to the Office of providing the service.

Comment:

The fees for processing an application filed with a specification in a non-English language (1.17(k)) and for filing an English translation of an international application later than 20 months after the priority date (1.445(a)(6)) appear to be in excess of cost.

Reply:

The final rules have been modified from the proposed to provide for a fee of \$26, the cost of processing applications filed with non-English language specifications in both domestic and international cases.

Comment:

An extension of time to Aug. 16, 1985 for the submission of comments was requested.

Reply:

The PTO is required by 35 U.S.C. 41(g) to publish a notice of fee increases in the *Federal Register* at least 60 days prior to the effective date of the fee increase. In order to have the proposed fee increases become effective near the start of the fiscal year, the extension of time could not be granted.

Comment:

Why were there no proposals to adjust trademark fees?

Reply:

Adjustments to fees for filing and processing a trademark application and for other processing, services or materials related to trademarks were not proposed at this time, pending review of trademark automation cost requirements.

Comment:

Do we plan to verify the inflation rate before publication of the final rules?

Reply:

The projected inflation rate has been verified. The Administration's latest projected annual cumulative Consumer Price Index for the three year period 1982-1985 is 11.8 percent. Application of this index to § 41(a) and § 41(b) fees result in no change from the proposal.

Other Considerations: The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Public Law 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et. seq. There are no information collection requirements relating to patent fee rules.

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Public Law 96-354). The principal impact of the major patent fees has already been taken into account in Public Law 97-247, which provided small entities with a 50 percent reduction in the major patent fees. Although that legislation will expire on Sept. 30, 1985, legislation has been introduced to reauthorize the 50 percent reduction in patent fees for an additional three years. The rule change adjusts fees to reflect the change in the Consumer Price Index and cost of processing services as provided by statute (35 U.S.C. 41(d) and 41(f)).

The Patent and Trademark Office has determined that this rule changed is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interests, Courts, Inventions and patents, Lawyers.

Notice is hereby given that, pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, 41, 111, 157, 302 and 376 and Public Laws 96-517, 97-247 and

98-622, the Patent and Trademark Office is amending 37 CFR Part 1 as set forth below.

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.16 is revised to read as follows:

§ 1.16 National application filing fees.

(a) Basic fee for filing each application for an original patent, except design or plant cases:

By a small entity (§ 1.9(f))	\$170.00
By other than a small entity	\$340.00

(b) In addition to the basic filing fee in an original application, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f))	\$17.00
By other than a small entity	\$34.00

(c) In addition to the basic filing fee in an original application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20. (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f))	\$6.00
By other than a small entity	\$12.00

(d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity (§ 1.9(f))	\$55.00
By other than a small entity	\$110.00

(If the additional fees required by paragraphs (b), (c) and (d) are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims cancelled by amendment, prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(e) Surcharge for filing the basic filing fee or oath or declaration on a date later than the filing date of the application:

By a small entity (§ 1.9(f))	\$55.00
By other than a small entity	\$110.00

(f) For filing each design application:

By a small entity (§ 1.9(f))	\$70.00
By other than a small entity	\$140.00

(g) Basic fee for filing each plant application:

By a small entity (§ 1.9(f))	\$110.00
By other than a small entity	\$220.00

(h) Basic fee for filing each reissue application:

By a small entity (§ 1.9(f))	\$170.00
By other than a small entity	\$340.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity (§ 1.9(f))	\$17.00
By other than a small entity	\$34.00

(j) In addition to the basic filing fee in a reissue application; for filing or later presentation of each claim (whether independent or dependent) in excess of the number of independent claims in the original patent:

dent or dependent) in excess of 20 and also in excess of the number of claims in the original patent. (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee purposes):

By a small entity (§ 1.9(f)) \$6.00
By other than a small entity \$12.00
(Note, see § 1.445 for international application filing and processing fees).

(35 U.S.C. 6, 41, 111; Public law 97-247)

3. Section 1.17 is amended by revising paragraphs (a)-(m) to read as follows:

§ 1.17 Patent application processing fees.

(a) Extension fee for response within first month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$28.00
By other than a small entity \$56.00

(b) Extension fee for response within second month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$85.00
By other than a small entity \$170.00

(c) Extension fee for response within third month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$195.00
By other than a small entity \$390.00

(d) Extension fee for response within fourth month pursuant to § 1.136(a):

By a small entity (§ 1.19(f)) \$305.00
By other than a small entity \$610.00

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:

By a small entity (§ 1.9(f)) \$65.00
By other than a small entity \$130.00

(f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity (§ 1.9(f)) \$65.00
By other than a small entity \$130.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. 134:

By a small entity (§ 1.9(f)) \$55.00
By other than a small entity \$110.00

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph.....\$140.00

§ 1.47—for filing by other than all the inventors or a person not the inventor.

§ 1.48—for correction of inventorship

§ 1.182—for decision on questions not specifically provided for.

§ 1.183—to suspend the rules

§ 1.295—for review of refusal to publish a statutory invention registration

§ 1.377—for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent.

§ 1.378(e)—for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent.

§ 1.644(e)—for petition in an interference.

§ 1.644(f)—for request for reconsideration of a decision on petition in an interference.

§ 1.666(c)—for late filing of interference settlement agreement.

§§ 5.12, 5.13, & 5.14—for expedited handling of foreign filing license.

§ 5.15—for changing the scope of a license.

§ 5.25—for retroactive license.

(i) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph.....\$72.00

§ 1.12—for access to an assignment record.

§ 1.14—for access to an application.

§ 1.55—for entry of late priority papers.

§ 1.102—to make application special.

§ 1.103—to suspend action in application.

§ 1.177—for divisional reissues to issue separately.

§ 1.312—for amendment after payment of issue fee.

(k) For processing an application filed with a specification in a non-English language (1.52(d)) \$26.00

(l) For filing a petition (1) for the revival of an unavoidably abandoned application under 35 U.S.C. 133, or 371 or (2) for delayed payment of the issue fee under 35 U.S.C. 151:

By a small entity (1.9(f)) \$28.00
By other than a small entity \$56.00

(m) For filing a petition (1) for revival of an unintentionally abandoned application or (2) for the unintentionally delayed payment of the fee for issuing a patent:

By a small entity (1.19(f)) \$280.00
By other than a small entity \$560.00

(35 U.S.C. 6, 41, 157, 376; Public Law 97-247)

4. Section 1.18 is revised to read as follows:

1.18 Patent issue fees.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity (1.9(f)) \$280.00
By other than a small entity \$560.00

(b) Issue fee for issuing a design patent:

By a small entity (1.9(f)) \$100.00
By other than a small entity \$200.00

(c) Issue fee for issuing a plant patent:

By a small entity (1.9(f)) \$140.00
By other than a small entity \$280.00

(35 U.S.C. 6, 41, Public Law 97-247)

5. Section 1.19 is amended by revising paragraphs (a)-(c), (e) and (f), and by adding new paragraphs (a)(7), and (h)-(j) to read as follows:

1.19 Document supply fees.

The Patent and Trademark Office will supply copies of the following documents upon payment of the fees indicated:

(a) Uncertified copies of Office documents:

(1) Printed copy of a patent, including a design patent, statutory invention registration, or defensive publication document, except color plant patent or color statutory invention registration \$1.50
(2) Printed copy of a plant patent or statutory invention registration in color \$6.00
(3) Copy of patent application as filed \$9.00
(4) Copy of patent file wrapper and contents, per 200 pages or a fraction thereof \$75.00

- (5) Copy of Office records, except as otherwise provided in this section, per page \$.50
 (6) Microfiche copy of microfiche, per microfiche \$.50
 (7) Copy of patent assignment record \$1.50

(b) Certified copies of Office documents:

- (1) For certifying Office records, per certificate \$3.00
 (2) For a search of assignment records, abstract of title and certification, per patent \$12.00

(c) Subscription services:

- (1) Subscription orders for printed copies of patents as issued, annual service charge for entry of order and ten subclasses \$7.00
 (2) For annual subscription to each additional subclass in addition to the ten covered by the fee under paragraph (c)(1) of this section, per subclass \$7.00

(e) List of patents in subclass:

- (1) For list of all United States patents and statutory invention registrations in a subclass, per 100 numbers or fraction thereof \$1.00
 (2) For list of United States patents and statutory invention registrations in a subclass limited by date or number, per 50 numbers or fraction thereof \$1.00

- (f) Microfiche copy of patent file record \$6.00

- (h) Uncertified copy of a non-United States patent document, per document \$10.00

- (i) To compare and certify copies made from Patent and Trademark Office records but not prepared by the Patent and Trademark Office, per copy of document \$5.00

(j) Additional filing receipts:

- Duplicate \$14.00
 Corrected due to applicant error \$14.00

(35 U.S.C. 6, 41, 157)

6. Section 1.20 is amended by revising paragraphs (a)-(l) to read as follows:

1.20 Post-Issuance fees.

- (a) For providing a certificate of correction of applicant's mistake (1.323) \$29.00
 (b) Petition for correction of inventorship in patent (1.324) \$140.00
 (c) For filing a request for reexamination 1.510(a) \$1,770.00
 (d) For filing each statutory disclaimer
 By a small entity (1.9(f)) \$28.00
 By other than a small entity \$56.00
 (e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982, in force beyond 4 years; the fee is due by three years and six months after the original grant \$225.00
 (f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982, in force beyond 8 years, the fee is due by seven years and six months after the original grant \$445.00

- (g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982, in force beyond 12 years; the fee is due by eleven years and six months after the original grant \$650.00

- (h) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Aug. 27, 1982, in force beyond 4 years; the fee is due by three years and six months after the original grant:

- By a small entity (1.9(f)) \$225.00
 By other than a small entity \$450.00

- (i) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Aug. 27, 1982, in force beyond 8 years; the fee is due by seven years and six months after the original grant:

- By a small entity (1.9(f)) \$445.00
 By other than a small entity \$890.00

- (j) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Aug. 27, 1982, in force beyond 12 years; the fee is due by eleven years and six months after the original grant:

- By a small entity (1.9(f)) \$670.00
 By other than a small entity \$1,340.00

- (k) Surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982 \$110.00

- (l) Surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Aug. 27, 1982:

- By a small entity (1.9(f)) \$55.00
 By other than a small entity \$110.00

(35 U.S.C. 6, 41, 302; Public Laws 96-517, 97-247, 98-622)

7. Section 1.21 is amended by revising paragraphs (a)-(i) and (k), and adding a new paragraph (m) to read as follows:

1.21 Miscellaneous fees and charges.

The Patent and Trademark Office has established the following fees for the services indicated:

(a) Registration of attorneys and agents:

- (1) For admission to examination for registration to practice, fee payable upon application \$250.00
 (2) On registration to practice. \$81.00
 (3) For reinstatement to practice \$9.00
 (4) For certificate of good standing as an attorney or agent \$10.00
 Suitable for framing. \$88.00
 (5) For review of a decision of the Director of Enrollment and Discipline 10.2(c) \$92.00
 (6) For requesting regrading of an examination under 10.7(c) \$92.00

(b) Deposit accounts:

- (1) For establishing or reinstating a deposit account \$8.00
 (2) Service charge for each month when the balance at the end of the month is below \$1,000. \$20.00

(3) Service charge for each month when the balance at the end of the month is below \$300 for restricted subscription deposit accounts used exclusively for subscription order of patent copies as issued. \$20.00
(c) Disclosure document: For filing a disclosure document \$6.00

(d) Delivery box: Local delivery box rental, per annum \$43.00

(e) International-type search reports: For preparing an international-type search report of an international-type search made at the time of the first action on the merits in a national patent application \$28.00

(f) Search of Office records: For searching Patent and Trademark Office records for purposes not otherwise specified, per one-half hour or fraction thereof \$14.00

(g) CopiShare card: Cost per copy \$0.20

(h) Recording of documents:

(1) For recording each assignment, agreement or other paper relating to the property in a patent or application \$7.00
(2) Where a document to be recorded under paragraph (h)(1) of this section refers to more than one patent or application, for each additional patent or application \$2.00

(i) Publication in *Official Gazette*: For publication in the *Official Gazette* of a notice of the availability of an application or a patent for licensing or sale, each application or patent. \$7.00

(k) For items and services, that the Commissioner finds may be supplied, for which fees are not specified by statute or by this part, such charges as may be determined by the Commissioner with respect to each such item or service. actual cost

(m) For processing each check returned "unpaid" by a bank \$20.00

(35 U.S.C. 6, 41)

8. Section 1.24 is proposed to be revised to read as follows:

1.24 Coupons.

Coupons in denominations of one dollar for the purchase of trademark registrations and one dollar and fifty cents for the purchase of patents, designs, defensive publications, and statutory invention registrations are sold by the Patent and Trademark Office for the convenience of the general public; these coupons may not be used for any other purpose. The one dollar coupons are sold individually and in books of 50 with stubs for record for \$50 and the one dollar and fifty cent coupons are sold individually and in books of 50 with stubs for record for \$75. These coupons are good until used; they may be transferred but cannot be redeemed.

(35 U.S.C. 6)

9. Section 1.25, paragraph (a), is revised to read as follows:

1.25 Deposit accounts.

(a) For the convenience of attorneys, and the general public in paying any fees due, in ordering services offered by the Office, copies of records, etc., deposit accounts may be established in the Patent and Trademark Office upon payment of the fee for establishing a deposit account (1.21(b)(1)). A minimum deposit of \$1,000 is required for paying any fees due or in ordering any services offered by the Office. However, a minimum deposit of \$300 may be paid to establish a restricted subscription deposit account used exclusively for subscription order of patent copies as issued. At the end of each month, a deposit account statement

will be rendered. A remittance must be made promptly upon receipt of the statement to cover the value of items or services charged to the account and thus restore the account to its established normal deposit. An amount sufficient to cover all fees, services, copies, etc., requested must always be on deposit. Charges to accounts with insufficient funds will not be accepted. A service charge § 1.12 (b)(2) will be assessed for each month that the balance at the end of the month is below \$1,000 For restricted subscription deposit accounts, a service charge (§ 1.21(b)(3)) will be assessed for each month that the balance at the end of the month is below \$300.

(35 U.S.C. 6)

10. Section 1.26 is amended by revising paragraph (c) to read as follows:

§ 1.26 Refunds

(c) If the Commissioner decides not to institute a reexamination proceeding, a refund of \$1,300 will be made to the requester of the proceeding. Reexamination requesters should indicate whether any refund should be made by check or by credit to a deposit account.

(35 U.S.C. 6, 41)

11. Section 1.53 is amended by revising paragraph (c) to read as follows:

§ 1.53 Serial number, filing date, and completion of application

(c) If any application is filed without the specification or drawing required by paragraph (b) of this section, applicant will be so notified and given a time period with which to submit the omitted specification or drawing in order to obtain a filing date as of the date of filing of such submission. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less a \$15.00 handling fee.

12. Section 1.297, paragraph (b), is revised to read as follows:

§ 1.297 Publication of statutory invention registration.

(b) Each statutory invention registration published will include a statement relating to the attributes of a statutory invention registration. The statement will read as follows:

A statutory invention registration is not a patent. It has the defensive attributes of a patent. No article or advertisement or the like may use the term patent, or any term suggestive of a patent, when referring to a statutory invention registration. For more specific information on the rights associated with a statutory invention registration see 35 U.S.C. 157.

(35 U.S.C. 6, 157)

13. Section 1.445 is amended by revising paragraph (a) to read as follows:

§ 1.445 International application filing and processing fees.

(a) The following fees and charges are established by the Patent and Trademark Office under the authority of 35 U.S.C. 37 6:

- (1) A transmittal fee (see 35 U.S.C. 361(d) and Pct Rule 14) \$170.00
 (2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

- (i) No corresponding prior United States national application with fee has been filed \$420.00
 (ii) Corresponding prior United States national application with fee has been filed \$250.00

- (3) A supplemental search fee when required (see PCT Art. 17(3)(a) and PCT Rule 40.2), per additional invention \$140.00

(4) The national fee, that is, the amount set forth as the filing fee under § 1.16(a) through (d) credited, if requested at the time of filing, by an amount of \$170.00 where an international search fee as required by paragraph (a)(2)(i) of this section has been paid on the corresponding international application to the United States Patent and Trademark Office as an International Searching Authority. Only one such credit is permitted based on a single international search fee.

- (5) Surcharge for filing the national fee or oath or declaration later than 20 months from the priority date:

By a small entity (§ 1.9(f)) \$55.00
 By other than a small entity \$110.00

(35 U.S.C. 6, 376)

14. Section 1.446 is amended by removing paragraph (b):

§ 1.446 Refund of international application filing and processing fees.

(b) [Reserved]
 (35 U.S.C. 6, 376)

July 31, 1985

DONALD J. QUIGG
*Acting Commissioner
 of Patents and Trademarks*

[1057 OG 24]

(49) **Department of Commerce
 Patent and Trademark Office
 37 CFR Parts 1 and 2
 [Docket No. 81024-9018]**

Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce

Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, to adjust patent fee amounts and to reduce certain trademark fee amounts. The Office will be extending the comment period on the proposed amendments of the rules of practice in patent cases which would clarify requirements in the filing of applications and provide for procedures for applicants to cure certain defects in the filing of applications. After comments are received, the PTO will issue a notice of final rulemaking addressing these proposals.

Establishment and adjustment of patent fees is provided for by sections 6 and 41 of Title 35, United States Code, and section 103(b) of Pub. L. 100-703. Establishment and adjustment of trademark fees is provided for by section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113) and section 103(c) of Pub. L. 100-703.

Effective Date: Apr. 17, 1989.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 557-1610 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Patent fees were set on Oct. 1, 1982, in accordance with the provisions of Title 35, United States Code (Pub. L. 97-247). Patent fees were adjusted effective Oct. 5, 1985, in accordance with the provisions of Title 35, United States Code. Trademark fees were set on Oct. 1, 1982, in accordance with the provisions of section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. section 1113) and adjusted on Oct. 1, 1986, in accordance with the provisions of that Act and Title 35. On Nov. 6, 1986, legislation modifying the way fee adjustments could be made was enacted as Pub. L. 99-607. The fee adjustment provisions of Pub. L. 99-607, sections 3(a) and 3(b) expired on Sept. 30, 1988. On Nov. 19, 1988, legislation extending section 3(a) and section 3(b) of Pub. L. 99-607 was enacted as Pub. L. 100-703. Therefore, patent and trademark fee adjustments will be guided by the provisions of Title 35, United States Code, and the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113), and by Pub. L. 100-703.

The Patent and Trademark Office is amending 37 CFR 2.6 to reduce the fee for filing an application for trademark registration from \$200 to \$175 per class. The Office also is reducing the fee for recording trademark assignments and agreements or other papers relating to the property in a registration or application from \$100 to \$8 for each mark in the same document.

Effective Oct. 1, 1982, trademark operations within the Office became 100 percent user-fee funded. Experience to date has demonstrated that the fees first established in Oct. 1982, and as later adjusted in Oct. 1986, are more than adequate to meet total trademark function costs. At the end of fiscal year 1988, total trademark function fees exceeded total trademark function costs by approximately \$10 million. Left undisturbed, it is projected that the current trademark fee structure will result in an additional \$12.7 million in excess fees over the course of the next three-year fee cycle. Thus, by the end of fiscal year 1991, total trademark fees are projected to exceed total trademark costs by almost \$23 million if the current fee structure remains in place.

In this light, the Office is proposing to reduce both the trademark application and assignment fees. Reducing the application fee to \$175 would be consistent with the legislative history surrounding passage of Pub. L. 97-247. In its report (H. Rep. No. 97-542, May 17, 1982), the House Committee on the Judiciary stated that, "It is expected that the Commissioner will set the [trademark] fees in a way that the filing fee will be kept as low as possible to foster use of the Federal registration system." The application filing fee from Oct. 1982 to Oct. 1986 was \$175. The filing fee was increased in 1986 to \$200 in an effort to recover a greater percentage of the actual costs incurred in the processing of trademark applications. While the reduction will increase the discrepancy between the application filing fee and our projected unit cost, the size of the current "surplus," as well as the objective of encouraging filings, supports the action.

Reducing the fee for recording trademark assignments to \$8 for each mark makes such fees consistent with those for the recording of patent assignments.

While the fee reductions still will leave a healthy "surplus," prudence suggests that further reductions be held in abeyance pending implementation of "The Trademark Law Revision Act of 1988" (Pub. L. 100-667). The Act, among other things, permits applicants to file applications for Federal trademark registrations based upon a bona fide "intent-to-use" the mark in commerce. Implementation of "intent-to-use" legislation will require the Office to incur additional expenditures, such as increased personnel costs and improved computer capabilities. The Office will review its trademark fee structure approximately 18 months from implementation and propose further fee adjustments if warranted but will not propose to adjust the application and assignment fees.

Even absent "intent-to-use," the Office will probably be required to upgrade its computer capabilities within the near future. Moreover, implementation of an automated trademark assignment system, now scheduled for fiscal year 1990, and other improvements in automated searching, will result in increased demands on trademark resources.

BACKGROUND:

Provisions of Title 35 and Title 15, United States Code, and Pub. L. 100-703 Which Affect This Notice of Final Rulemaking.

Patent and Trademark Office fees are authorized by 35 U.S.C. 41 and 35 U.S.C. 376. Section 41(a) of Title 35, United States Code, establishes a number of statutory fees. Among the more significant of these are fees for filing a patent application and issuing a patent. Certain other fees, such as appeal fees, the fee for filing a disclaimer, fees for filing petitions seeking to revive an abandoned application and for extensions of time also are set in 35 U.S.C. 41(a). Section 41(b) of Title 35, United States Code, sets forth the statutory fees for maintaining a patent in force if the application was filed on or after Aug. 27, 1982.

The provisions of Pub. L. 96-517 also establish maintenance fees for patents other than design and plant patents issued on applications filed on or after Dec. 12, 1980 and before Aug. 27, 1982. These maintenance fees are to recover 25 percent of the estimated cost to the Office of processing patent applications.

Section 1 of Pub. L. 97-247 authorized the reduction by 50 percent in the fees paid under 35 U.S.C. 41(a) and 35 U.S.C. 41(b) by independent inventors, small business concerns, and nonprofit organizations, who meet the definitions established. Section 1(a)(2) of Pub. L. 99-607 makes this provision permanent in 35 U.S.C. 41(h).

Section 41(f) of Title 35, United States Code, provides that fees established in 35 U.S.C. 41(a) and 35 U.S.C. 41(b), "may be adjusted by the Commissioner on Oct. 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor." Section 41(f) also provides that changes of less than one percent may be ignored. Pub. L. 100-703 makes no modifications to 35 U.S.C. 41(f).

Section 41(d) of Title 35, United States Code, provides that the "Commissioner will establish fees for all other processing, services, or materials related to patents" which are not covered in 35 U.S.C. 41(a) and 35 U.S.C. 41(b), "to recover the estimated average cost to the Office of such processing, services or materials."

Section 103(b) of Pub. L. 100-703 changes the way fees established under 35 U.S.C. 41(d) can be adjusted. For fiscal years 1989, 1990, and 1991, the Commissioner cannot increase fees established under 41(d) except for the purposes of making adjustments which in the aggregate do not exceed fluctuations during the previous three years in the Consumer Price Index.

Section 103(b) of Pub. L. 100-703 provides that the Commissioner cannot establish additional fees under 35 U.S.C. 41(d) during fiscal years 1989, 1990, and 1991.

Section 376 of Title 35, United States Code, authorizes the Commissioner to set fees for patent applications filed under the Patent Cooperation Treaty. The fees under the Patent Cooperation Treaty are keyed to full cost recovery of the processing costs under the Treaty. Pub. L. 100-703 makes no modifications to 35 U.S.C. 376.

Section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113) authorizes the Commissioner to establish fees for the filing and processing of an application for the registration of a trademark or other mark, and for all other services and materials relating to trademarks and other marks. No fee for the filing or processing of an application for the registration of a trademark or other mark or for the renewal or assignment of a trademark or other mark will be adjusted more than once every three years. The House Committee on the Judiciary, in a report that accompanied H.R. 6260, which ultimately was enacted as Pub. L. 97-247, recommended a trademark fee schedule to the Commissioner which was established by a rule published in the *Federal Register* on July 30, 1982 at 47 FR 33086, effective Oct. 1, 1982.

A final rule to increase the trademark application filing fee per class and the fee for copies of trademarks was published in the *Federal Register* on Aug. 4, 1986 at 51 FR 28052. The increased fees became effective on Oct. 1, 1986.

Section 103(a) of Pub. L. 100-703 changes the way fees established under the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113) can be adjusted. For fiscal years 1989, 1990 and 1991, the Commissioner cannot increase fees established under the Act except for the purposes of making adjustments which in the aggregate do not exceed fluctuations during the previous three years in the Consumer Price Index.

Section 103(a) of Pub. L. 100-703 provides that the Commissioner cannot establish additional fees under the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113) during fiscal years 1989, 1990, and 1991.

However, as described above, the Office is only reducing the fee for filing an application, per class, and the fee for recording trademark assignments and agreements or other papers relating to the property in a registration or application.

Final Rule Changes

General Procedures

Cost Calculations : The Office calculated unit costs for all fees based on OMB Circular A-25, "User Fees," and OMB Circular A-130, "Management of Federal Information Resources." Costs were determined from the best available records (for example, the 1987 end of fiscal year financial statements for the Office) and included direct and indirect costs to the Office of carrying out the activity, as directed by OMB Circular A-25. To estimate costs for the three-year fee cycle Apr. 1989-Mar. 1992, the 1987 actual costs were adjusted by the inflation rates from Oct. 1988 through Mar. 1989, and then by a mid-cycle inflation rate for the period Apr. 1989-Mar. 1992. The total inflation rate was 12.644 percent derived from the Administration's inflation projection.

Workload Projections

Determination of future year workloads varies by fee code. Principal workload projection techniques are as follows:

Patent and trademark application workloads were projected from statistical regression models using recent application trends. Associated application workloads, for example, patent claims and extensions of time, grow relative to patent applications. Patent issues are projected from an in-house patent productivity model and reflect examiner production achievements and goals. Patent maintenance fee workloads utilize patents issued 3.5, 7.5 and 11.5 years prior to payment and assume payment rates of 80 percent, 50 percent and 25 percent, respectively. Trademark affidavits and renewals are based on prior year registrations and renewal trends. Service fee workloads follow linear trends from prior year activities. All workload estimates are approved by the manager responsible for the fee program.

Policy for applying the Consumer Price Index: The Office of Management and Budget has determined that the Patent and Trademark Office should use Consumer Price Index-U (CPI) to adjust patent fees. The Department of Labor's Consumer Price Index is made public approximately twenty-one days after the end of the month being calculated. The time lag between the initiation and the completion of the rulemaking process dictates that the Dec. 1988 through Mar. 1989 inflation rate be projected. The Administration's projected cumulative CPI for the three-year period Apr. 1986-Mar. 1989 is 10.311 percent.

The fee amounts being adopted by this rule package were adjusted by the CPI that was projected in 1988, i.e., 10.303 percent. Since this is less than the amount the Office has determined to be the actual projected rate and that applying the updated projection of 10.311 percent would have a negligible effect on the fee amounts, no changes have been made.

Rounding Procedures: After application of the 10.303 percent projected fluctuation in the CPI to fees, amounts were rounded by applying standard arithmetical rules so that the amounts rounded would be de minimis and convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$10 and \$99 were rounded to the nearest even number so that the comparable small entity fee would be a whole number. Fees under \$2 were rounded for convenience.

Since the amounts of the patent fees that went into effect on Oct. 5, 1985 were rounded after application of the Consumer Price Index, a first step in calculating new fee amounts was to eliminate any effects of rounding prior years' fee adjustments. For example, 35 U.S.C. 41(a), sets the patent application filing fee at \$300.00. Applying the 11.8 percent CPI for the period 1983-1985 resulted in an allowable increase to \$335.40. This amount was rounded to \$340.00. For purposes of this fee adjustment process, the base used to adjust fees for the next fee cycle was the "unrounded" fee amount; i.e., the \$335.40 for patent application filing fees. Similarly, the cost for certifying Office records was \$2.70. This amount was rounded to \$3.00.

For the purposes of this fee adjustment process, the base was unrounded amount of \$2.70.

It should be noted that following routine rounding off practices can result in some fee items being adjusted by more or less than CPI. This divergence from the CPI ceiling will only exist in the short term because of the policy of applying the CPI adjustment factor to the unrounded amount from the previous fee cycle.

Proposed Rule Changes Under Title 35 and Title 15, United States Code and Pub. L. 100-703

Statutory patent fees established under 35 U.S.C. 41(a) and 35 U.S.C. 41(b) are adjusted in accordance with 35 U.S.C. 41(f) to reflect any fluctuations occurring during the previous three years in the CPI.

Non-statutory patent fees established under 35 U.S.C. 41(d) are adjusted in accordance with section 103(b) of Pub. L. 100-703 to reflect, in the aggregate, any fluctuations occurring during the previous three years (Apr. 1986-Mar. 1989) in the Consumer Price Index, as determined by the Secretary of Labor.

Fees established under 35 U.S.C. 376 are adjusted to recover the full cost of processing under the Patent Cooperation Treaty. International patent fees under 37 CFR 1.492 are related to patent fees established under 35 U.S.C. 41(a) and are adjusted to reflect fluctuations in the CPI.

For fees established under section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113), the Office is reducing the fee for filing an application, per class, and the fee for recording trademark assignments and agreements or other papers relating to the property in a registration or application as fully described above.

Fee Adjustment Methodology

1. PROJECTED ACTUAL COSTS.

The projected actual costs for all fee items were calculated by applying the principles of OMB Circulars A-25 and A-130.

a. Statutory patent fees were derived by: (1) identifying those operational units of the Office involved in, or contributing to, the processing of a patent application through all phases of examination; (2) identifying and certifying actual fiscal year 1987 obligations incurred by the operational units in processing an application; (3) projecting those obligations to the period of Apr. 1989 through Mar. 1992 in accordance with approved budgets and future year budget targets; and (4) increasing the obligations projected for the period of Apr. 1989 through Mar. 1992 by the Administration's estimates for federal pay raise adjustments and projected inflation. Projected actual costs for Apr. 1989-Mar. 1992, \$729,810,051 less projected budget authority of \$265,834,000, are \$463,976,051.

b. For non-statutory patent fees, projected costs for each fee item were established by (1) identifying actual costs for 1987, and (2) projecting actual costs for fiscal years 1988 through Mar. 1992 by applying the Administration's inflation projection of 12.644 percent. This projected actual cost was then multiplied by the projected workload for each fee item. The sum of the projected costs for all fee items is the projected actual cost of operation during the three-year fee cycle. Projected actual costs for Apr. 1989-Mar. 1992 are \$64,661,341.

c. The same methodologies as described in paragraphs (a) and (b) above were applied to Patent Cooperation Treaty fees. Projected actual costs for Apr. 1989-Mar. 1992 are \$16,531,990.

d. The same methodology as described in paragraph (b) above was applied to Trademark fees. Projected actual costs for Apr. 1989-Mar. 1992 are calculated to be \$74,329,783.

2. INCOME PROJECTIONS

a. The maximum amount of statutory fee income that the Office is authorized to recover under 35 U.S.C. 41(f) was calculated as follows.

For each statutory patent fee, the unrounded base (i.e., the 1986 adjusted fee before rounding) was multiplied by the projected CPI fluctuation of 10.303 percent for the three-year period Apr. 1986-Mar. 1989. This amount was then multiplied by the projected workload for Apr. 1989-Mar. 1992 to project the income from that fee item during the Apr. 1989-Mar. 1992 fee cycle. The sum of the projected incomes from all statutory patent fees is the maximum amount that the Office is authorized by 35 U.S.C. 41(f) to recover during the fee cycle and is equal to \$464,676,178.

b. The maximum amount of non-statutory fee income that the Office is authorized to recover under § 103(b) of Pub. L. 100-703 was calculated as follows.

For each non-statutory patent fee, the unrounded base (i.e., the 1986 adjusted fee before rounding) was multiplied by the projected CPI fluctuation of 10.303 percent for the three-year period Apr. 1986-Mar. 1989. This amount was then multiplied by the projected workload for Apr. 1989-Mar. 1992 to project the income from that fee item during the Apr. 1989-Mar. 1992 fee cycle. The sum of the projected incomes from all non-statutory patent fees is the maximum amount that the Office is authorized by section 103(b) of Pub. L. 100-703 to recover during the fee cycle and is equal to \$62,101,874.

c. For Patent Cooperation Treaty fees, the Office is authorized by 35 U.S.C. 376 to recover the full cost of processing under the Treaty. Thus, the projected costs identified in paragraph 1(c) for Patent Cooperation Treaty fees of \$16,531,990 would be the maximum level of recovery.

d. The maximum amount of trademark fee income that the Office is authorized to recover under section 103(a) of Pub. L. 100-703 was calculated as follows.

For each trademark fee, the unrounded base (i.e., the 1986 adjusted fee before rounding) was multiplied by the projected CPI fluctuation of 10.303 percent for the three-year period Apr. 1986-Mar. 1989. This amount was then multiplied by the projected workload for Apr. 1989-Mar. 1992 to project the income from that fee item during the Apr. 1989-Mar. 1992 fee cycle. The sum of the projected incomes from all trademark fees is the maximum amount that the Office is authorized by section 103(a) of Pub. L. 100-703 to recover during the fee cycle and is equal to \$107,704,135.

e. Each statutory patent fee amount identified in paragraph 2(a), and each PCT amount identified in paragraph 2(c) above was rounded according to the de minimis rounding rules described above.

Sections 103(a) and 103(b) of Pub. L. 100-703 allow the Office to set fees "in the aggregate." The fee amounts proposed for non-statutory patent fees and trademark fees will recover the maximum amount of income determined in paragraphs (b) and (d) above.

Each of these fee amounts was multiplied by the projected workload during the fee cycle to project the income from that fee item. The sum of the projected income from all patent fees is \$542,281,082, which is the sum of the projected incomes from statutory patent fees, \$463,626,421, non-statutory patent fees, \$62,047,763, and Patent Cooperation Treaty fees, \$16,606,898.

f. The Office reduced two trademark fees, as described above. Each trademark fee amount was multiplied by the projected workload during the fee cycle to project the income from that fee item. The sum of the projected income from all trademark fees is projected to be \$72,972,690.

Summary:

Fee Category	Projected Cost April 1989- Mar 1992	Maximum Allowable Recovery	Projected Income April 1989 - Mar 1992
Statutory Patent	\$463,976,051	\$464,676,178	\$463,626,421
Non-Statutory Patent	\$64,661,341	\$62,101,874	\$62,047,763
PCT	\$16,531,990	\$16,531,990	\$16,606,898
Total - Patent	\$545,169,382	\$543,310,042	\$542,281,082

Total - Trademarks
Total - All Fees\$74,329,783
\$619,499,165\$107,704,135
\$651,014,177\$72,972,690
\$615,253,772

The unit costs by fee item are summarized in Appendix A. The Office has detailed cost calculation worksheets for each fee item, which are available for public inspection in Suite 904 of Bldg. 2, Crystal Park at 2121 Crystal Dr., Arlington, Va.

It is intended that the amount of any fee due and payable on or after Apr. 17, 1989 is the amount set in this rulemaking. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing, where authorized under 37 CFR 1.8, will be considered to be the date of receipt in the Office. A "Certificate of Mailing under Section 1.8" is not "proper" for items which are specifically excluded from the provisions of § 1.8. Section 1.8 should be consulted for those items for which a Certificate of Mailing is not "proper." Such items include, inter alia, the filing of national and international applications for patents and the filing of trademark applications. The provisions of 37 CFR 1.10, relating to filing of papers and fees by "Express Mail" with certificate, however, do apply to any paper or fee (including patent and trademark applications) to be filed in the Office. If an application or fee is filed by "Express Mail" with a certificate of express mailing dated on and after the effective date of the rules, the amount of the fee to be paid is the fee established herein if a change is being made in the fee. In order to ensure clarity in the implementation of the fee proposals, a discussion of specific sections is set forth below.

DISCUSSION OF SPECIFIC RULES**37 CFR § 1.12 Assignment records open to public inspection.**

Section 1.12, paragraph (a) is amended to refer to the renumbered § 1.19(b)(4). Paragraph (c), is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.14 Patent applications preserved in secrecy.

Section 1.14, paragraph (e) is amended to would refer to the renumbered § 1.17(i)(1).

37 CFR § 1.16 National application filing fee.

Section 1.16 is amended to adjust patent application filing fees established in 35 U.S.C. 41(a) and set forth in 37 CFR 1.16(a)-(b), (d) and (f)-(i) to reflect fluctuations in the CPI.

Section 1.16, paragraph (e) is amended as to adjust the patent application surcharge fee authorized by 35 U.S.C. 111 to reflect fluctuations in the CPI.

37 CFR § 1.17 Patent application processing fees.

Section 1.17 is amended to adjust patent application processing fees established in 35 U.S.C. 41(a) and set forth in 37 CFR 1.17(a)-(g) and (l)-(m) to reflect fluctuations in the CPI.

Section 1.17 is amended to adjust the patent application processing fees authorized by 35 U.S.C. 41(d) and set forth in 37 CFR 1.17(h)-(k) to reflect fluctuations in the CPI.

Section 1.17 is amended to establish one fee amount for filing a petition to the Commissioner under 37 CFR sections 1.12, 1.14, 1.47, 1.48, 1.55, 1.103, 1.177, 1.182, 1.183, 1.295, 1.312, 1.313, 1.314, 1.334, 1.377, 1.378(e), 1.644(e), 1.644(f), 1.666(b), 1.666(c), 5.12, 5.13, 5.14, 5.15, and 5.25. The fee would recover the estimated average cost to the Office of processing all petitions to the Commissioner mentioned above. In addition, the single fee for all petitions is expected to facilitate pre-processing of petition requests.

Section 1.17 is amended to provide in new paragraph (i)(2) and \$80 fee for filing a petition to the Commissioner under 37 CFR 1.102 to make an application special.

37 CFR § 1.18 Patent issue fees

Section 1.18 is amended to adjust patent issue fees established in 35 U.S.C. 41(a) and set forth in 37 CFR 1.18(a)-(c) to reflect fluctuations in the CPI.

37 CFR § 1.19 Document supply fees.

Section 1.19 is revised to adjust the fees authorized by 35 U.S.C. 41(d) for services and materials as set forth in 37 CFR 1.19 to reflect fluctuations in the CPI.

Section 1.19(a)(2) is revised to adjust the fees for copies of plant patents and statutory invention registrations to reflect fluctuations in the CPI.

Section 1.19, is revised to renumber paragraph (a)(5) as (a)(3) and provide for a flat fee for a certified copy of an Office document, for each 30 pages or fraction thereof.

Section 1.19 revises paragraphs (a)(4)-(a)(6) and (b)(4) to set the fees for the purchase of color copies of color drawings identified in utility patents and for expedited service for fulfillment of orders for patent copies and orders for copies of patent applications as filed. The provision for color drawings in utility patent applications is in § 1.84(p). Although color drawings may be permitted in a utility patent application by petition, copies of printed patents will only be provided in black and white. If a copy of the printed patent with copies of the drawings in color is desired, it must be separately ordered and accompanied by the fee proposed in paragraph (a)(4). The fees set forth in paragraphs (a)(5), (a)(6) and (b)(4) are for expedited processing of copy orders.

The Public Service Window (PSW) in the Patent Public Search Room referred to in proposed new paragraph 37 CFR 1.19(a)(5) is located on the lobby level of Crystal Plaza Bldg. 3. The Office rents numbered lock boxes (delivery boxes) to members of the public for copy order delivery purposes. Members of the public may place coupon orders at the PSW and request that the copies be delivered to their boxes at the PSW. PSW staff members receive and process the coupon orders and forward them to the copy fulfillment contractor. Upon receipt of the copies, PSW staff members place them in the appropriate delivery box for pickup by the box holder.

Section 1.19, paragraph (a) is revised to remove the charge for a microfiche copy of a microfiche.

Section 1.19 is revised to renumber paragraph (a)(3) as (b)(1) and provide for one fee for a certified copy of a patent application as filed.

Section 1.19 is revised to renumber paragraph (a)(4) as (b)(2) and provide for a flat fee for a certified copy of a patent file wrapper, and contents, with no limitation on the number of pages.

Section 1.19 is revised to renumber paragraph (a)(7) as (b)(3) and provide for one fee for a certified copy of a patent assignment record.

Section 1.19 is revised to renumber paragraph (b)(1) as (b)(5).

Section 1.19 is revised to renumber paragraph (b)(2) as (b)(6) and adjust the fee for a search of assignment records, abstract of title and certification, per patent to reflect fluctuations in CPI.

Section 1.19 is revised to remove paragraph (c) as the requirement for a special fee for providing subscription services has been eliminated. The Office will provide subscription services at no cost to the subscriber.

Section 1.19 is revised to renumber paragraph (d) as paragraph (c).

Section 1.19 is revised to renumber paragraph (e) to paragraph (d) and provide for a list of all United States patents and statutory invention registrations in a subclass, with no limit to the number at the proposed flat fee.

Section 1.19 is revised to remove paragraph (f).

Section 1.19 is revised to renumber paragraphs (g)-(j) as paragraphs (e)-(h) and adjust the fees to reflect fluctuations in the CPI.

37 CFR § 1.20 Post-issuance fees.

Section 1.20, paragraphs (a)-(c) are amended to adjust patent post-issuance fees authorized by 35 U.S.C. 41(d) to reflect fluctuations in the CPI.

Section 1.20 is amended to clarify the language in paragraph (a) that the fee charged is for a correction of an applicant's mistake.

Section 1.20, paragraphs (d) and (h)-(j) is amended to adjust patent post-issuance fees established in 35 U.S.C. 41(a) and 35 U.S.C. 41(b) to reflect fluctuations in the CPI.

Section 1.20, paragraphs (e)-(g) are amended to adjust post-issuance fees authorized by 2 of Publ. L. 96-517, as modified by 404 of Pub. L. 98-622. These fees must be set at a level to eventually recover 25 percent of the estimated cost to the Office of processing patent applications. In order to achieve this level of recovery, these maintenance fees are adjusted to reflect fluctuations in the CPI.

Section 1.20, paragraph (k) is amended to adjust the patent application surcharge fee authorized by 2 of Pub. L. 96-517.

Section 1.20, paragraph (l) is amended to adjust the post-issuance fee authorized by 35 U.S.C. 41(b).

Section 1.20, paragraph (m) is amended to adjust the post-issuance fee authorized by 35 U.S.C. 41(c)(1).

Section 1.20, paragraph (n) is amended to adjust the post-issuance fee authorized by Pub. L. 98-417 and 35 U.S.C. 156.

37 CFR § 1.21 *Miscellaneous fees and charges.*

Section 1.21 is amended to adjust the miscellaneous fees and charges authorized by 35 U.S.C. 41(d) and set forth in 37 CFR 1.21(a)-(b), (d)-(j) and (l)-(m) to reflect fluctuations in the CPI.

Section 1.21(f) is further amended to establish a flat fee for conducting an inventor search of Office records for a ten-year period.

The CopiShare Card referred to in 37 CFR 1.21(g) relates to the photocopiers and reader/printers for use by members of the public in the Office's search facilities. Each photocopier and reader/printer is connected to an access device which affords access to the equipment through the use of a magnetic card which has been encoded with an amount pre-paid by the customer. The access devices, encoding equipment, and magnetic cards comprise an equipment access system called the CopiShare system. The magnetic CopiShare Cards are purchased by the public and encoded with an amount of funds paid to the Office. The customer places the encoded card in the device connected to the photocopier or reader/printer, and a pre-set amount is deducted for each copy produced.

The Office is planning to authorize the public to use credit cards for the purchase of CopiShare Cards. This will be a pilot program for accepting credit cards for fees, and if feasible, may be extended to other operations of the Office.

Section 1.21(h) is further amended to establish one fee for recording each property in an assignment, agreement or other paper relating to the property in a patent or application. The fee reflects increased costs to enhance the processing of assignments.

37 CFR § 1.26 *Refunds.*

Section 1.26 is amended to change paragraph (c) to provide for a refund of \$1,500 if the Commissioner decides not to institute reexamination proceedings. The \$1,500 refund would apply to those instances where the proposed reexamination fee of \$1,980 under 37 CFR 1.20(c) was paid. The current \$1,300 refund will be made in those cases where the current \$1,770 reexamination fee was paid.

37 CFR § 1.55 *Claim for foreign priority.*

Section 1.55 paragraph (a) is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.102 *Advancement of examination.*

Section 1.102, paragraph (d) is amended to refer to the petition fee set forth in proposed new paragraph 1.17(i)(2).

37 CFR § 1.103 *Suspension of action.*

Section 1.103, paragraph (a) is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.171 *Application for reissue.*

Section 1.171 is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.177 *Reissue in divisions.*

Section 1.177 is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.296 *Withdrawal of request for publication of statutory invention registration.*

Section 1.296 is amended to adjust the handling fee for withdrawal of a statutory invention registration to reflect fluctuations in the CPI.

37 CFR § 1.313 *Withdrawal from issue.*

Section 1.313, paragraph (a) is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.314 *Issuance of patent.*

Section 1.314 is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.334 *Issue of patent to assignee.*

Section 1.334, paragraph (c) is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 1.445 *International application filing and processing fees.*

Section 1.445 is amended to adjust the fees authorized by 35 U.S.C. 376 for international application processing as set forth in 37 CFR 1.445(a)(2) and (a)(3) to recover the cost to the Office of such processing, as determined by fluctuations in CPI.

37 CFR § 1.451 *The priority claim and priority document in an international application.*

Section 1.451, paragraph (b) is amended to refer to the renumbered § 1.19(b)(1) and § 1.19(b)(6).

37 CFR § 1.482 *International preliminary examination fees.*

Section 1.482 is amended to adjust the fees authorized by 35 U.S.C. 376 for international application processing as set forth in 37 CFR 1.482(a) to recover the estimated average cost to the Office of such processing.

37 CFR § 1.492 *National stage fees.*

Section 1.492 is amended to adjust the fees authorized by 35 U.S.C. 376 for international application processing as set forth in 37 CFR 1.492(a)-(b) and (d)-(f) to recover the estimated average cost to the Office of such processing as determined by fluctuations in the CPI.

37 CFR § 1.666 *Filing of interference settlement agreements.*

Section 1.666, paragraph (b) is amended to refer to the renumbered § 1.17(i)(1).

37 CFR § 2.6 *Trademark fees.*

Section 2.6(a) and (q) are amended to adjust trademark fees established pursuant to the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113).

RESPONSE TO COMMENTS ON THE RULES

A notice of proposed rulemaking to adjust patent and trademark fees was published in the *Federal Register* on Nov. 30, 1988, at 53 FR 48402. Corrections of typographical errors were published in the *Federal Register* on Dec. 8, 1988, at 53 FR 49637. A notice also was published on Dec. 13, 1988 at volume 1097 of the *Official Gazette* of the United States Patent and

Trademark Office, pages 16 through 29. A public hearing was conducted on Jan. 4, 1989. Six letters submitting written comments were received and oral testimony was presented by one person at the public hearing. All of the written and oral comments were considered in adopting the changes set forth herein. The comments submitted, along with responses, appear below.

Comment:

A major patent law association requested an additional sixty (60) days to comment on proposed changes to the following rules that go beyond fees. Several other respondents also commented on the proposed changes to these rules.

37 CFR 1.53 Serial number, filing date, and completion of application.

37 CFR 1.55 Claim for foreign priority.

37 CFR 1.60 Continuation or divisional application for invention disclosed in a prior application.

37 CFR 1.62 File wrapper continuing procedure.

37 CFR 1.96 Submission of computer program listings.

Response:

The Office is not amending 37 CFR 1.53, 1.60, 1.62 and 1.96 and is extending the comment period until Mar. 3, 1989. The Office also is not adding new rule 37 CFR 1.21(n) which refers to 37 CFR 1.53, 1.60 and 1.62. The Office is amending only that portion of 37 CFR 1.55 which clarifies that the already established fee refers to the amount in the new 37 CFR 1.17(i)(1) and not the old § 1.17(i). After the extended comment period closes, the Office will issue a new notice of final rulemaking addressing these proposals.

Comment:

Two respondents requested that the Office provide for a comment period longer than the 30 days accorded in this rule package.

Response:

Office policy is to provide a 60 day comment period whenever possible. For fee-related rules, the comment period generally is limited to 30 days because the final rule must be in place 60 days before the fees are effective. This gives the public at least 90 days notice of a fee change.

In addition, the Office alerts, as far in advance as possible, major patent and trademark associations and organizations, and its advisory committees, that it will be proposing a fee adjustment. Finally, copies of the Nov. 30, 1988, *Federal Register* notice were mailed to 140 organizations, associations and the advisory committees only days after their publication in the *Federal Register*.

Comment:

One respondent asked whether maintenance fees that are paid after the effective date of the fee increase are payable in the increased amount or the amount that was payable when due.

Response:

The amount of any fee payment made on or after the effective date of this rule package is the amount set in the rulemaking.

Comment:

Two respondents, representing major trademark organizations, opposed the proposed reductions to the trademark application and assignment fees. The following major points were made: (1) No reductions should be made until Nov. 1989, when Pub. L. 100-667 (The Trademark Law Revision Act of 1988) is implemented; (2) Leading accounting firms recommend that a one year's operating reserve would be prudent; (3) It was Congressional intent that revenue generated from a \$100 assignment fee be used to subsidize the trademark operation.

The respondents also questioned whether the PTO could make more than one adjustment every three years under the present authorization statute, even when such adjustments would result in a reduction of certain fee amounts.

Response:

After careful consideration of the comments received, the PTO has decided to implement the two fee reductions for the following reasons: (1) Careful analysis has confirmed that projected revenues will be sufficient to implement the Intent-to-

Use legislation (Pub. L. 100-667) and still maintain an operating reserve within PTO's two percent fee policy. We believe it will take about 18 months experience with intent-to-use to be able to propose other changes to trademark fee amounts, and thus a delay in implementation of the proposed fee reductions to Nov. 1989 would not accomplish any useful purpose. (2) A one-year operating reserve for trademark programs is far too large an amount to address unforeseen expenses, would unfairly penalize users, is politically imprudent, especially given the current Federal deficit, and could be construed to constitute an unfair tax on the general user. (3) In the past, PTO has been criticized for charging \$100 for a trademark assignment and \$7.00 for a patent assignment. For example, refer to public comments on the 1986 trademark fee adjustments published in the *Federal Register* on Aug. 4, 1986 at 51 FR 28055. While it is true that the trademark assignment fee was originally designed to help subsidize the trademark application fee, which is set at a level that does not recover actual costs, the PTO believes that the proposed reduction in the assignment fee will not result in subsequent increases in the application fee or jeopardize the financial health of trademark operations. Further, the Office wants to assure respondents that in proposing a reduction in the assignment fee, the costs of cleaning up the trademark assignment data base have been taken into account.

As noted above, the planning of fee adjustments has been such that we do not anticipate two adjustments within a fee cycle. The legislative history to Public Law 99-607 indicates that Congress intended the PTO to reduce fees whenever appropriate.

Comment:

One respondent, a representative of a major patent organization, raised the following points (1) The PTO should conduct an analysis of the impact of patent fees on independent inventors and small businesses; (2) the reduction of fees for individual inventors and small business should continue to be subsidized by taxpayer revenues; (3) the PTO should make every effort to increase its efficiency as a way of holding down the level of fees; (4) the PTO and the Administration should attempt to amend the Gramm-Rudman-Hollings Act as it relates to user fees; and (5) the Office should allow 90 days for the public to comment on proposed rules.

Response:

(1) The PTO continually has monitored the level of filings by small businesses and individual inventors, which has averaged 34 percent for the years 1986-1988. The Office will conduct a study to assess the impact of patent fees on individual inventors and small businesses.

(2) For the 1989-91 fee cycle, the reduction of patent fees individual inventors and small businesses will continue to be subsidized by taxpayer revenues. As the PTO continues to progress to total financing by user fees, two options will be explored: (a) to continue to seek general taxpayer revenue for the subsidy to domestic and foreign users alike; or (b) to establish a two tier fee system for patent statutory fees. While the first option could mean lower overall patent fees, a taxpayer subsidy would be dependent upon Congressional action. If Congress were not to appropriate the necessary funds, the subsidy would not be available, in whole or in part. Full reliance on user fees could provide the PTO with additional flexibilities to meet user needs, especially in responding to growing workloads as the workloads occur.

(3) The PTO continues to scrutinize its operating budgets to identify ways to increase efficiency, to constrain costs, and to continue to provide better services to its users. The current fee package permits patent and patent service fees to be raised only with inflation. Trademark fees are held steady or are reduced. Despite these limited adjustments, user fees in 1989-1991 will allow the PTO to continue to pursue its major goals to improve the quality and timeliness of its goods and services.

(4) The Gramm-Rudman-Hollings sequestration of 1986 did affect PTO user fees. However, the Administration's budgets for 1987, 1988 and 1989 met all deficit reduction targets and did not require automatic sequestrations. We are confident that the Administration will continue to meet all deficit reduction targets prescribed by law and thus will continue to avoid the automatic sequestrations. The PTO is supportive of all efforts to reduce the Federal deficit.

(5) This issue was addressed above.

OTHER CONSIDERATIONS

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. There are no information collection requirements relating to patent fee rules.

The Office has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The principal impact of the major patent fees has already been taken into account in Pub. L. 99-607, which provided small entities with a 50 percent reduction in the major patent fees. The rule change adjust fees to reflect the change in the CPI and cost of processing services as provided by statute (35 U.S.C. 41(d) and 41(f)).

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions, because most major fees are being adjusted to reflect changes in the CPI over the past three years. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Part 1 and Part 2

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble, the Office is amending Title 37 of the Code of Federal Regulations, Chapter 1, as set forth below.

Part 1 Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.12 is amended by revising paragraph (a) and (c) to read as follows:

§ 1.12 Assignment records open to public inspection.

(a) The assignment records, relating to original or reissue patents, including digests and indexes, and assignment records relating to pending or abandoned trademark applications and to trademark registrations, are open to public inspection and copies of any instrument recorded may be obtained upon request and payment of the fee set forth in § 1.19(a)(3).

(c) Any request by a member of the public seeking copies of any assignment records of any pending or abandoned patent application preserved in secrecy under § 1.14, or any information with respect thereto, must

(1) Be in the form of a petition accompanied by the petition fee set forth in § 1.17(i)(1), or

(2) Include written authority granting access to the member of the public to the particular assignment records from the applicant or applicant's assignee or attorney or agent of record.

3. Section 1.14 is amended by revising paragraph (e) to read as follows:

§ 1.14 Patent applications preserved in secrecy.

(e) Any request by a member of the public seeking access to, or copies of, any pending or abandoned application preserved in secrecy pursuant to paragraphs (a) and (b) of this section, or any papers relating thereto, must

(1) Be in the form of a petition and be accompanied by the petition fee set forth in § 1.17(i)(1), or

(2) Include written authority granting access to the member of the public in that particular application from the applicant or the applicant's assignee or attorney or agent of record. (Note, see § 1.612(a) for access by an interference party to a pending or abandoned application.)

4. Section 1.16 is amended by revising paragraphs (a)-(b) and (d)-(i) and the note at the end of the section to read as follows:

§ 1.16 National application filing fees.

(a) Basic fee for filing each application for an original patent, except design or plant case:

By a small entity (§ 1.9(f))\$185.00
By other than a small entity\$370.00

(b) In addition to the basic filing fee in an original application, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f)(sf,1))\$18.00
By other than a small entity\$36.00

(d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain a multiple dependent claim(s) per application:

By a small entity (§ 1.9(f))\$60.00
By other than a small entity\$120.00

(If the additional fees required by paragraphs (b), (c), and (d) are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims canceled by amendment, prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(e) Surcharge for filing the basic filing fee or oath or declaration on a date later than the filing date of the application:

By a small entity(§ 1.19(f))\$60.00
By other than a small entity\$120.00

(f) For filing each design application:

By a small entity(§ 1.9(f))\$75.00
By other than a small entity\$150.00

(g) Basic fee for filing each plant application:

By a small entity(§ 1.9(f))\$125.00
By other than a small entity\$250.00

(h) Basic fee for filing each reissue application:

By a small entity(§ 1.9(f))\$185.00
By other than a small entity\$370.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity(\$ 1.9(f))	\$18.00
By other than a small entity	\$36.00

* * * * *

(Note, see § 1.445 for international application filing and processing fees.

5. Section 1.17 is amended by revising paragraphs (a)-(h) and (j)-(m), by designating existing paragraph (i) as (i)(1) and revising it, and by adding a new paragraph (i)(2), to read as follows:

§ 1.17 Patent application processing fees.

(a) Extension fee for response within first month pursuant to § 1.136(a):

By a small entity(\$ 1.9(f))	\$31.00
By other than a small entity	\$62.00

(b) Extension fee for response within second month pursuant to § 1.136(a):

By a small entity(\$ 1.9(f))	\$90.00
By other than a small entity	\$180.00

(c) Extension fee for response within third month pursuant to § 1.136(a):

By a small entity(\$ 1.9(f))	\$215.00
By other than a small entity	\$430.00

(d) Extension fee for response within fourth month pursuant to § 1.136(a):

By a small entity(\$ 1.9(f))	\$340.00
By other than a small entity	\$680.00

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:

By a small entity(\$ 1.9(f))	\$70.00
By other than a small entity	\$140.00

(f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity(\$ 1.9(f))	\$70.00
By other than a small entity	\$140.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. 134:

By a small entity(\$ 1.9(f))	\$60.00
By other than a small entity	\$120.00

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph

§ 1.47 - for filing by other than all the inventors or a person not the inventor.

§ 1.48 - for correction of inventorship

§ 1.182 - for decision on questions not specifically provided for.

§ 1.183 - to suspend rules.

§ 1.295 - for review of refusal to publish a statutory invention registration.

§ 1.377 - for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent.

§ 1.378(e) - for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent.

§ 1.644(e) - for petition in an interference.

§ 1.644(f) - for request for reconsideration of a decision on petition in an interference.

§ 1.666(c) - for late filing of interference settlement agreement.

§§ 5.12, 5.13, & 5.14 - for expedited handling of foreign filing license.

§ 5.15 - for changing the scope of a license.
§ 5.25 - for retroactive license.

(i) (1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph

§ 1.12 - for access to an assignment record.

§ 1.14 - for access to an application.

§ 1.55 - for entry of late priority papers.

§ 1.103 - to suspend action in application.

§ 1.177 - for divisional reissue to issue separately.

§ 1.312 - for amendment after payment of issue fee.

§ 1.313 - to withdraw an application from issue.

§ 1.314 - to defer issuance of a patent.

§ 1.334 - for patent to issue to assignee, assignment recorded late.

§ 1.666(b) - for access to interference settlement agreement.

(2) For filing a petition to the Commissioner under § 1.102 of this part to make application special

(j) For filing a petition to institute a public use proceeding under § 1.292

(k) For processing an application filed with a specification in a non-English language (§ 1.52(d))

(l) For filing a petition

(1) for the revival of an abandoned application under 35 U.S.C. 133, or 371 or

(2) for delayed payment of the issue fee under 35 U.S.C. 151:

By a small entity(\$1.9(f))	\$31.00
By other than a small entity	\$62.00

(m) For filing a petition

(1) for revival of an unintentionally abandoned application, or
(2) for the unintentionally delayed payment of the fee for issuing a patent:

By a small entity(\$1.9(f))	\$310.00
By other than a small entity	\$620.00

* * * * *

6. Section 1.18 is revised to read as follows:

§1.18 Patent issue fees.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity(\$ 1.9(f))	\$310.00
By other than a small entity	\$620.00

(b) Issue fee for issuing a design patent:

By a small entity(\$ 1.9(f))	\$110.00
By other than a small entity	\$220.00

(c) Issue fee for issuing a plant patent:

By a small entity(\$ 1.9(f))	\$155.00
By other than a small entity	\$310.00

7. Section 1.19 is revised to read as follows:

§1.19 Document supply fees.

The Patent and Trademark Office will supply copies of the following documents upon payment of the fees indicated:

(a) Uncertified copies of Offices documents:

(1) Printed copy of a patent, including a design patent, statutory invention registration, or defensive publication document, ex-

cept color plant or color statutory invention registration \$1.50

(2) Printed copy of a plant patent or statutory invention registration in color \$10.00

(3) Copy of Office documents, except as otherwise provided in this section, for each 30 pages or a fraction thereof \$10.00

(4) Copy of a utility patent with drawings in color (see § 1.84(p)) \$20.00

(5) Expedited local service for copy of a patent as in paragraph (a)(1) of this section, fulfilled within one work day for orders delivered to the Public Service Window in the Patent Public Search Room \$3.00

(6) Expedited service for copy of a patent as in paragraph (a)(1) of this section, ordered by electronic ordering service and delivered to the customer within two work days ... \$25.00

(b) Certified copies of Office documents:

(1) Certified copy of patent application as filed. \$10.00

(2) Certified copy of patent file wrapper \$170.00

(3) Certified copy of patent assignment record \$5.00

(4) Expedited service for certified copy of patent application as filed in paragraph (a)(3) of this section, fulfilled within 5 work days, excluding mailing time \$20.00

(5) For certifying Office records, per certificate \$3.00

(6) For a search of assignment records, abstract of title and certification, per patent \$15.00

(c) Library service (35 U.S.C. 13): For providing to libraries copies of all patents issued annually, per annum ... \$50.00

(d) For list of all United States patents and statutory invention registrations in a subclass \$2.00

(e) Uncertified statement as to status of the payment of maintenance fees due on a patent or expiration of a patent \$5.00

(f) Uncertified copy of a non-United States patent document, per document \$10.00

(g) To compare and certify copies made from Patent and Trademark Office records but not prepared by the Patent and Trademark Office, per copy of document \$10.00

(h) Additional filing receipts: duplicate or corrected due to applicant error \$15.00

8. Section 1.20 is amended by revising paragraphs (a)-(n) to read as follows:

§1.20 Post issuance fees.

(a) For providing a certificate of correction for applicant's mistake (§ 1.323) \$60.00

(b) Petition for correction of inventorship in patent (§ 1.324) \$120.00

(c) For filing a request for reexamination (§ 1.510(a)) \$2,000.00

(d) For filing each statutory disclaimer (§1.321):

By a small entity(§1.9(f)) \$31.00
By other than a small entity \$62.00

(e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec.

12, 1980 and before Aug. 27, 1982, in force beyond four years; the fee is due by three years and six months after the original grant \$245.00

(f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982, in force beyond eight years; the fee is due by seven years and six months after the original grant \$495.00

(g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982, in force beyond twelve years; the fee is due by eleven years and six months after the original grant \$740.00

(h) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Aug. 27, 1982, in force beyond 4 four years; the fee is due by three years and six months after the original grant:

By a small entity(§ 1.9(f)) \$245.00
By other than a small entity \$490.00

(i) For maintaining an original or reissue patent, except a design or plant patent, based on an application, filed on or after Aug. 27, 1982, in force beyond eight years; the fee is due by seven years and six months after the original grant:

By a small entity(§ 1.9(f)) \$495.00
By other than a small entity \$990.00

(j) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Aug. 27, 1982, in force beyond twelve years; the fee is due by eleven years and six months after the original grant:

By a small entity(§ 1.9(f)) \$740.00
By other than a small entity \$1,480.00

(k) Surcharge for paying a maintenance fee during the six-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Dec. 12, 1980 and before Aug. 27, 1982 \$120.00

(l) Surcharge for paying a maintenance fee during the six-month grace period following the expiration of three years and six months, seven years and six months and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Aug. 27, 1982:

By a small entity(§ 1.9(f)) \$60.00
By other than a small entity \$120.00

(m) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay is shown to the satisfaction of the Commissioner to have been unavoidable \$550.00

(n) For filing an application for extension of the term of a patent (§ 1.740) \$600.00

9. Section 1.21 is amended by revising paragraphs (a), (b)(1), (d)-(j), (l)-(m), and the introductory text of the section and paragraph (b) are republished, to read as follows:

§1.21 Miscellaneous fees and charges.

The Patent and Trademark Office has established the following fees for the services indicated:

(a) Registration of attorneys and agents:

(1) For admission to examination for registration to practice, fee payable upon application \$270.00

(2) On registration to practice \$90.00

- (3) For reinstatement to practice \$10.00
- (4) For certificate of good standing as an attorney or agent \$10.00
Suitable for framing \$100.00
- (5) For review of a decision of the Director of Enrollment and Discipline under § 10.2(c) \$100.00
- (6) For requesting regrading of an examination under 10.7(c) \$100.00

(b) Deposit accounts:

- (1) For establishing or reinstating a deposit account . \$10.00

- (d) Delivery box: Local delivery box rental, per annum \$50.00
- (e) International type search reports: For preparing an international type search report of an international type search made at the time of the first action on the merits in a national patent application \$30.00
- (f) Search of Office records: For conducting an inventor search of Office records for a ten-year period \$10.00
- (g) CopiShare card: Cost per copy \$15
- (h) For recording each assignment, agreement or other paper relating to the property in a patent or application per property \$8.00
- (i) Publication in Official Gazette: For publication in the Official Gazette of a notice of the availability of an application or a patent for licensing or sale, each application or patent \$20.00
- (j) For a duplicate or replacement of a permanent Office user pass (There is no charge for the first permanent user pass) \$10.00
- *****
- (l) For processing and retaining any application abandoned pursuant to section 1.53(d) unless the required basic filing fee has been paid \$120.00
- (m) For processing each check returned "unpaid" by a bank \$50.00

10. Section 1.26 is amended by revising paragraph (c) to read as follows:

§1.26 Refunds.

(c) If the Commissioner decides not to institute a reexamination proceeding, a refund of \$1,500 will be made to the requestor of the proceeding. Reexamination requesters should indicate whether any refund should be made by check or by credit to a deposit account.

11. Section 1.55 is amended by revising paragraph (a) to read as follows:

§1.55 Claim for foreign priority.

(a) An applicant may claim the benefit of the filing date of a prior foreign application under the conditions specified in 35 U.S.C. 119 and 172. The claim to priority need be in no special form and may be made by the attorney or agent if the foreign application is referred to in the oath or declaration as required by § 1.63. The claim for priority and the certified copy of the foreign application specified in the second paragraph of 35 U.S.C. 119 must be filed in the case of interference (§ 1.630); when necessary to overcome the date of a reference relied upon

by the examiner; or when specifically required by the examiner; and in all other cases they must be filed not later than the date the issue fee is paid. If the papers filed are not in the English language, a translation need not be filed except in the three particular instances specified in the preceding sentence, in which event a sworn translation or a translation certified as accurate by a sworn or official translator must be filed. If the priority papers are submitted after the date the issue fee is paid, they must be accompanied by a petition requesting their entry and the fee set forth in § 1.17(i)(1).

12. Section 1.102 is amended by revising paragraph (d) to read as follows:

§1.102 Advancement of examination.

(d) A petition to make an application special on grounds other than those referred to in paragraph (c) of this section must be accompanied by the petition fee set forth in §1.17(i)(2).

13. Section 1.103, paragraph (a) is amended to read as follows:

§1.103 Suspension of action.

(a) Suspension of action by the Office will be granted for good and sufficient cause and for a reasonable time specified upon petition by the applicant and, if such cause is not the fault of the Office, the payment of the fee set forth in 1.17(i)(1). Action will not be suspended when a response by the applicant to an Office action is required.

14. Section 1.171 is amended to read as follows:

§1.171 Application for reissue.

An application for reissue must contain the same parts required for an application for an original patent, complying with all the rules relating thereto except as otherwise provided, and, in addition, must comply with the requirements of the rules relating to reissue applications. The application must be accompanied by a certified copy of an abstract of title or an order for a title report accompanied by the fee set forth in § 1.19(b)(6), to be placed in the file, and by an offer to surrender the original patent (§ 1.178).

15. Section 1.177 is amended to read as follows:

§1.177 Reissue in divisions.

The Commissioner may, in his or her discretion, cause several patents to be issued for distinct and separate parts of the thing patented, upon demand of the applicant, and upon payment of the required fee for each division. Each division of a reissue constitutes the subject of a separate specification descriptive of the part or parts of the invention claimed in such division; and the drawing may represent only such part of parts, subject to the provisions of §§ 1.83 and 1.84. On filing divisional reissue applications, they shall be referred to the Commissioner. Unless otherwise ordered by the Commissioner upon petition and payment of the fee set forth in § 1.17(i)(1) all the divisions of a reissue will issue simultaneously; if there be any controversy as to one division, the others will be withheld from issue until the controversy is ended, unless the Commissioner shall otherwise order.

16. Section 1.296 is amended to read as follows:

§1.296 Withdrawal of request for publication of statutory invention registration.

A request for a statutory invention registration, which has been filed, may be withdrawn prior to the date of the notice of the intent to publish a statutory invention registration issued

pursuant to §1.294(c) by filing a request to withdraw the request for publication of a statutory invention registration. The request to withdraw may also include a request for a refund of any amount paid in excess of the application filing fee and a handling fee of \$120.00 which will be retained. Any request to withdraw the request for publication of a statutory invention registration filed on or after the date of the notice of intent to publish issued pursuant to § 1.294(c) must be in the form of a petition pursuant to 1.183 accompanied by the fee set forth in §1.17(h).

17. Section 1.313, paragraph (a), is amended to read as follows:

§1.313 Withdrawal from issue.

(a) Applications may be withdrawn from issue for further action at the initiative of the Office or upon petition by the applicant. Any such petition by the applicant must include a showing of good and sufficient reasons why withdrawal of the application is necessary and, if the reason for the withdrawal is not the fault of the Office, must be accompanied by the fee set forth in 1.17(i)(1). If the application is withdrawn from issue, a new notice of allowance will be sent if the application is again allowed. Any amendment accompanying a petition to withdraw an application from issue must comply with the requirement of § 1.312.

* * * * *

18. Section 1.314 is amended to read as follows:

§1.314 Issuance of patent.

If payment of the issue fee is timely made, the patent will issue in regular course unless

- (a) the application is withdrawn from issue (§ 1.313)
- (b) issuance of the patent is deferred.

Any petition by the applicant requesting deferral of the issuance of a patent must be accompanied by the fee set forth in § 1.17(i)(1) and must include a showing of good and sufficient reasons why it is necessary to defer issuance of the patent.

19. Section 1.334 is amended by revising to read as follows:

§1.334 Issue of patent to assignee.

* * * * *

(c) If the assignment is recorded after the date of payment of the issue fee, the assignee may petition that the patent issue to the assignee as recorded. Any such petition must be accompanied by the fee set forth in § 1.17(i)(1).

20. Section 1.445 is amended by revising paragraph (a), (2), (3) and, the introductory text of paragraph (a) is republished, to read as follows:

§1.445 International application filing and processing fees.

(a) The following fees and charges are established by the Patent and Trademark Office under the authority of 35 U.S.C. 376:

* * *

(2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

- (i) No corresponding prior United States national application with basic filing fee has been filed \$550.00
- (ii) A corresponding prior United States national application with basic filing fee has been filed \$380.00
- (3) A supplemental search fee when required per additional invention \$150.00

* * * * *

21. Section 1.451 is amended by revising paragraph (b) to read as follows:

§1.451 The priority claim and priority document in an international application.

* * * * *

(b) Whenever the priority of an earlier United States national application is claimed in an international application, the applicant may request in a letter of transmittal accompanying the international application upon filing with the United States Receiving Office or in a separate letter filed in the Receiving Office not later than 16 months after the priority date, that the Patent and Trademark Office prepare a certified copy of the national application for transmittal to the International Bureau (PCT Article 8 and PCT Rule 17). The fee for preparing a certified copy is stated in § 1.19 (b)(1)

* * * * *

22. Section 1.482 is amended by revising paragraph (a) to read as follows:

§1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A preliminary examination fee is due on filing the Demand:

- (i) Where an international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, a preliminary examination fee of \$400.00

- (ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, a preliminary examination fee of \$600.00

(2) An additional preliminary examination fee when required, per additional invention:

- (i) Where a supplemental search fee as set forth in § 1.445(a)(3) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority \$130.00

- (ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office \$200.00

* * * * *

23. Section 1.492 is amended by revising paragraphs (a)(1)-(3), (b), and (d)-(f), and the introductory text of the section and paragraph (a) are republished to read as follows:

§ 1.492 National stage fees.

The following fees and charges for international applications entering the national stage under 35 U.S.C. 371 are established by the Commissioner under 35 U.S.C. 376:

(a) The basic national fee:

- (1) Where an international preliminary examination fee as set forth in § 1.482 has been paid on the international application to the United States Patent and Trademark Office:

By a small entity(§ 1.9(f)) \$165.00
By other than a small entity \$330.00

- (2) Where no international preliminary examination fee as set forth in § 1.482 has been paid to the United States Patent and Trademark Office, but an international search fee as set forth

in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as in International Searching Authority:

By a small entity(§ 1.9(f)) \$185.00
By other than a small entity \$370.00

(3) Where no international preliminary examination fee as set forth in § 1.482 has been paid and no international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office:

By a small entity(§ 1.9(f)) \$250.00
By other than a small entity \$500.00

* * * * *

(b) In addition to the basic national fee, for filing or later presentation of each independent claim in excess of 3:

By a small entity(§ 1.9(f)) \$18.00
By other than a small entity \$6.00

* * * * *

(d) In addition to the basic national fee, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity(§ 1.9(f)) \$60.00
By other than a small entity \$120.00

(If the additional fees required by paragraphs (b),(c), and (d) are not paid on presentation of the claims for which the additional fees are due, they must be paid or the claims canceled by amendment, prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(e) Surcharge for filing the basic national fee or oath or declaration later than 20 months from the priority date pursuant to § 1.494(c) or later than 30 months from the priority date pursuant to § 1.495(c):

By a small entity (§ 1.9(f)) \$60.00
By other than a small entity \$120.00

(f) For filing an English translation of an international application later than 20 months after the priority date (§ 1.494(c)) or filing an English translation of the international application or of any annexes to the international preliminary examination report later than 30 months after the priority date (§ 1.495(c) and (e)): \$30.00

24. Section 1.666 is amended by revising paragraph (b) to read as follows:

§ 1.666 Filing of interference settlement agreements.

* * * * *

(b) If any party filing the agreement or understanding under paragraph (a) of this section so requests, the copy will be kept separate from the file of the interference, and made available only to Government agencies on written request, or to any person upon petition accompanied by the fee set forth in § 1.17(i)(1) and on a showing of good cause.

* * * * *

Part 2 Rules of Practice in Trademark Cases

1. The authority citation for Part 2 continues to read as follows:

Authority : 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is amended by revising paragraphs (a), (q) and the introductory text of the section is republished to read as follows:

§ 2.6 Trademark fees.

The following fees and charges are established by the Patent and Trademark Office for trademark cases:

* * * * *

(a) For filing an application, per class \$175.00

* * * * *

(q) For recording trademark assignments and agreements or other papers relating to the property in a registration or application, per mark \$8.00

* * * * *

Jan. 18, 1989

DONALD J. QUIGG
*Assistant Secretary and
Commissioner of Patents
and Trademarks*

[1100 TMOG 7]

(50) Department of Commerce Patent and Trademark Office 37 CFR Part 1 Patent Fees

Agency: Patent and Trademark Office, Commerce
Action: Interim Rule

Summary: The Omnibus Budget Reconciliation Act of 1990 imposes a 69% surcharge on fees charged under 35 U.S.C. § 41(a) and (b). The surcharge took effect on November 5, 1990. By this notice, the Patent and Trademark Office (Office) is informing the public of the patent fees affected and the new amounts including the surcharge.

Effective Date: As required by the Omnibus Budget Reconciliation Act, the fees in this interim rule are effective November 5, 1990. Consideration will be given to comments received on or before January 25, 1991.

Addresses: Address written comments to the Commissioner of Patents and Trademarks, Washington, D.C. 20231, Attention: Frances Michalkewicz, Suite 904, Building 2, Crystal Park. Written comments will be available for public inspection in Suite 904 of Building 2, Crystal Park, at 2121 Crystal Drive, Arlington, Virginia.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 557-1610 or by mail to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231

Supplementary Information

The Patent and Trademark Office is required by the Omnibus Budget Reconciliation Act of 1990 to apply a 69% surcharge to patent fees charged under 35 U.S.C. § 41(a) and (b). By this Act, the 69% surcharge is rounded by standard arithmetic rules. The Office has applied standard arithmetic rules so that the amounts rounded would be *de minimis* and convenient to the user.

For entities other than small entities, amounts of \$100 or more were rounded to the nearest \$10. Amounts between \$10 and \$99 were rounded to the nearest even number so that the comparable small entity fee would be a whole number. For small entities, the Office then reduced the fee by 50% as required by 35 U.S.C. § 41(h).

Any fee under 35 U.S.C. § 41(a) and (b) which is paid on or after November 5, 1990, is subject to the surcharge. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing under 37 CFR § 1.8 or a proper Certificate of Express Mail under 37 CFR § 1.10 will be considered to be the date of receipt in the Office.

Since, by law, this surcharge became effective on November 5, 1990, and the law provided no discretion to the Office, this rule is effective as of that date.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.* There are no information collection requirements related to patent fee rules.

The Office has determined that this notice has no Federalism implications affecting relations between the National Government and the States as outlined in Executive Order 12612.

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million because the additional revenue that the surcharge collects will be offset by a reduction in the Office's appropriation from the general revenues of the United States. While there will be an increase in patent fees, they are required by law, and the Office is without discretion to reduce them.

The Office has determined that good cause exists for dispensing with the requirements under 5 U.S.C. § 553 of notice and comment and delayed effective date. These procedures are impracticable because the Omnibus Budget Reconciliation Act of 1990 imposed a surcharge on fees set under 35 U.S.C. § 41(a) and (b) effective November 5, 1990. Therefore, this rule is being issued as an interim final rule effective November 5, 1990. Comments received by January 25, 1991 will be considered in drafting the final rule.

Because a notice of proposed rulemaking is not required by 5 U.S.C. § 553(b)(B) or any other law, a Regulatory Flexibility Analysis is not required and has not been prepared for purposes of the Regulatory Flexibility Act.

Lists of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of Information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons set out in the preamble, 37 CFR is amended as set forth below.

PART 1-RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. § 6 unless otherwise noted.

2. Section 1.16 is amended by revising the section heading and paragraphs (a)-(d) and (f)-(j) and adding the authority citation to read as follows:

§ 1.16 National application filing fees and surcharge.

- (a) Basic fee for filing each application for an original patent, except design or plant cases:
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$315.00 |
| By other than a small entity | \$630.00 |
- (b) In addition to the basic filing fee in an original application, for filing or later presentation of each independent claim in excess of 3:
- | | |
|------------------------------|---------|
| By a small entity (§ 1.9(f)) | \$30.00 |
| By other than a small entity | \$60.00 |
- (c) In addition to the basic filing fee in an original application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20. (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):
- | | |
|------------------------------|---------|
| By a small entity (§ 1.9(f)) | \$10.00 |
| By other than a small entity | \$20.00 |
- (d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain, a multiple dependent claim(s) per application:
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$100.00 |
|------------------------------|----------|

By other than a small entity.....\$200.00

(If the additional fees required by paragraphs (b), (c), and (d) are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims cancelled by amendment, prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

* * * * *

(f) For filing each design application:

By a small entity (§ 1.9(f))	\$125.00
By other than a small entity	\$250.00

(g) Basic fee for filing each plant application:

By a small entity (§ 1.9(f))	\$210.00
By other than a small entity	\$420.00

(h) Basic fee for filing each reissue application:

By a small entity (§ 1.9(f))	\$315.00
By other than a small entity	\$630.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity (§ 1.9(f))	\$30.00
By other than a small entity	\$60.00

(j) In addition to the basic filing fee in a reissue application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 and also in excess of the number of claims in the original patent. (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee purposes):

By a small entity (§ 1.9(f))	\$10.00
By other than a small entity	\$20.00

(Note: See § 1.445 for international application filing and processing fees.)

(Omnibus Budget Act of 1980, § 10101; 35 U.S.C. 6, 41)

3. Section 1.17 is amended by revising the section heading, paragraphs (a)-(g), (l), and (m), and the authority citation to read as follows:

§ 1.17 Patent application processing fees and surcharge.

- (a) Extension fee for response within first month pursuant to § 1.136(a):
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$50.00 |
| By other than a small entity | \$100.00 |
- (b) Extension fee for response within second month pursuant to § 1.136(a):
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$150.00 |
| By other than a small entity | \$300.00 |
- (c) Extension fee for response within third month pursuant to § 1.136(a):
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$365.00 |
| By other than a small entity | \$730.00 |
- (d) Extension fee for response within fourth month pursuant to § 1.136(a):
- | | |
|------------------------------|------------|
| By a small entity (§ 1.9(f)) | \$575.00 |
| By other than a small entity | \$1,150.00 |
- (e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$120.00 |
| By other than a small entity | \$240.00 |
- (f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:
- | | |
|------------------------------|----------|
| By a small entity (§ 1.9(f)) | \$120.00 |
| By other than a small entity | \$240.00 |

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in an appeal under 35 U.S.C. 134:

By a small entity (§ 1.9(f)) \$100.00
By other than a small entity \$200.00

* * * * *

(i) For filing a petition

(1) For the revival of an unavodably abandoned application under 35 U.S.C. sections 133 or 371, or
(2) For delayed payment of the issue fee under 35 U.S.C. § 151:

By a small entity (§ 1.9(f)) \$50.00
By other than a small entity \$100.00

(m) For filing a petition

(1) For revival of an unintentionally abandoned application, or
(2) For the unintentionally delayed payment of the fee for issuing a patent:

By a small entity (§ 1.9(f)) \$525.00
By other than a small entity \$1050.00

(Omnibus Budget Reconciliation Act of 1990), § 10101; Pub. L. 97-247; 15 U.S.C. 1113, 1123, 35 U.S.C. 6, 41, 181-188; Export Administration Act of 1979, as amended; Arms Export Control Act, as amended; Nuclear Non-Proliferation Act of 1978, and the delegations in the regulations under these acts to the Commissioner by regulations (15 CFR 370.10(j); 22 CFR 125.04, and 10 CFR 810.7))

4. Section 1.18 is revised to read as follows:

§ 1.18 Patent issue fees and surcharge.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity (§ 1.9(f)) \$525.00
By other than a small entity \$1,050.00

(b) Issue fee for issuing a design patent:

By a small entity (§ 1.9(f)) \$185.00
By other than a small entity \$370.00

(c) Issue fee for issuing a plant patent:

By a small entity (§ 1.9(f)) \$260.00
By other than a small entity \$520.00

(Omnibus Budget Reconciliation Act of 1990, § 10101; 35 U.S.C. 6, 41)

5. Section 1.20 is amended by revising the section heading, paragraphs (d) and (h)-(j), and the authority citation to read as follows:

§ 1.20 Post issuance fees and surcharge.

(d) For filing each statutory disclaimer (§ 1.321):

By a small entity (§ 1.9(f)) \$50.00
By other than a small entity \$100.00

* * * * *

(h) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after August 27, 1982, in force beyond four years; the fee is due by three years and six months after the original grant:

By a small entity (§ 1.9(f)) \$415.00
By other than a small entity \$830.00

(i) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after August 27, 1982, in force beyond eight years; the fee is due by seven years and six months after the original grant:

By a small entity (§ 1.9(f)) \$835.00
By other than a small entity \$1,670.00

(j) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or

after August 27, 1982, in force beyond twelve years; the fee is due by eleven years and six months after the original grant:
By a small entity (§ 1.9(f)) \$1,250
By other than a small entity \$2,500.00

(Omnibus Budget Reconciliation Act of 1990, § 10101, 35 U.S.C. 6, 41; 15 U.S.C. 1113, 1123)

* * * * *

Nov. 20, 1990

HARRY F. MANBECK, Jr.
*Assistant Secretary
and Commissioner
of Patents and Trademarks*

[1121 O.G. 18]

(51) **Notice of Final Rulemaking
Patent and Trademark Fee Revisions**

The Patent and Trademark Office is amending its rules of practice in patent and trademark cases. Parts 1 and 2 of Title 37, Code of Federal Regulations, to adjust patent and trademark fee amounts.

Public Law 102-204, which was enacted on Dec. 10, 1991, waives the normal 30 day notice period and allows fees to become effective in fiscal year 1992 on or after one day after publication of a notice in the *Federal Register*. A notice was published on Friday, Dec. 13, 1991 at 56 FR Part III. The effective date for the new fee amounts is Monday, Dec. 16, 1991.

Any fee amount that is paid on or after Dec. 16, 1991 is subject to the new fee schedule.

Your attention is drawn to the following major changes in the fee schedule:

*The legislation established comparable maintenance fee amounts for all patents based on applications filed on or after Dec. 12, 1980. All first stage maintenance fees are now \$900 for a large entity and \$450 for a small entity; second stage maintenance fees are now \$1,810 for a large entity and \$905 for a small entity; and third stage maintenance fees are now \$2,730 for a large entity, and \$1,365 for a small entity.

*The small entity provision is continued and made applicable to all maintenance fee payments.

*The trademark application filing fee was increased to \$200. Several trademark service fees have been adjusted, but all other trademark processing fees remain unchanged.

If you have any questions or comments, or would like to have a copy of the *Federal Register* notice, please contact the Office of Long-Range Planning and Evaluation by phone at 703-305-8510

BRADFORD R. HUTHER
*Assistant Commissioner
for Finance and Planning*

**U.S. PATENT AND TRADEMARK OFFICE
Effective Dec. 16, 1991**

The U.S. Patent and Trademark Office has amended its rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations to adjust patent and trademark fee amounts.

Any fee payment due and paid on or after Dec. 16, 1991, must be paid in the revised amount. The date of mailing indicated on a proper Certificate of Mailing under either 37 CFR 1.8 or 37 CFR 1.10 will be considered to be the date of receipt and payment in the Office.

As this fee sheet is a summary and the content of rules also may be changing, you should refer to the notice published in the *Federal Register* on Dec. 13, 1991 at 56 FR Part III. See also *Official Gazette* of Dec. 17, 1991.

The fees which are subject to reduction for small entities who have established status (37 CFR 1.27) are shown in a separate column.

For additional information, please contact the PTO Public Service Center at (703)305-HELP.

Fee Code	37 CFR	Description	Fee	Small Entity Fee if Applicable
Patent Fees				
Filing Fees				
101/201	1.16(a)	Basic filing fee - utility	690.00	345.00
102/202	1.16(b)	Independent claims in excess of three	72.00	36.00
103/203	1.16(c)	Claims in excess of twenty	20.00	10.00
104/204	1.16(d)	Multiple dependent claim	220.00	110.00
105/205	1.16(e)	Surcharge--Late filing fee or oath or declaration	130.00	65.00
106/206	1.16(f)	Design filing fee	280.00	140.00
107/207	1.16(g)	Plant filing fee	460.00	230.00
108/208	1.16(h)	Reissue filing fee	690.00	345.00
109/209	1.16(i)	Reissue independent claims over original patent	72.00	36.00
110/210	1.16(j)	Reissue claims in excess of 20 and over original patent	20.00	10.00
139	1.17(k)	Non-English specification	130.00	
Extension Fees				
115/215	1.17(a)	Extension for response within first month	110.00	55.00
116/216	1.17(b)	Extension for response within second month	350.00	175.00
117/217	1.17(c)	Extension for response within third month	810.00	405.00
118/218	1.17(d)	Extension for response within fourth month	1,280.00	640.00
Appeals/Interference Fees				
119/219	1.17(e)	Notice of appeal	260.00	130.00
120/220	1.17(f)	Filing a brief in support of an appeal	260.00	130.00
121/221	1.17(g)	Request for oral hearing	220.00	110.00
Issue Fees				
142/242	1.18(a)	Utility issue fee	1,130.00	565.00
143/243	1.18(b)	Design issue fee	400.00	200.00
144/244	1.18(c)	Plant issue fee	570.00	285.00
Miscellaneous Fees				
111	1.20(j)	Extension of term of patent	1,000.00	
112	1.17(n)	Requesting publication of SIR - Prior to examiner's action	790.00 *	
113	1.17(c)	Requesting publication of SIR - After examiner's action	1,580.00 *	
145	1.20(a)	Certificate of Correction	70.00	
147	1.20(c)	For filing a request for reexamination	2,180.00	
148/248	1.20(d)	Statutory Disclaimer	110.00	55.00
*Reduced by Basic Filing Fee Paid				
Patent Petition Fees				
122		Petitions to the Commissioner, unless otherwise specified	130.00	
138	1.17(j)	Petition to institute a public use proceeding	1,310.00	
140/240	1.17(l)	Petition to revive unavoidably abandoned application	110.00/	55.00
141/241	1.17(m)	Petition to revive unintentionally abandoned application	1,130.00/	565.00
Maintenance Fees:				
Applications Filed on or after Dec. 12, 1980				
183/283	1.20(e)	Due at 3.5 years	900.00/	450.00
184/284	1.20(f)	Due at 7.5 years	1,810.00/	905.00
185/285	1.20(g)	Due at 11.5 years	2,730.00/	1,365.00
186/286	1.20(h)	Surcharge - Late payment within 6 months	130.00/	65.00
187	1.20(i)	Surcharge after expiration	600.00	
PCT Fees - National Stage				
154/254	1.492(e)	Surcharge - Late filing fee or oath or declaration	130.00/	65.00
156	1.492(f)	English translation - after twenty months	130.00	
956/957	1.492(a)(1)	IPEA - U.S.	620.00/	310.00
958/959	1.492(a)(2)	ISA - U.S.	690.00/	345.00
960/961	1.492(a)(3)	PTO not ISA or IPEA	920.00/	460.00
962/963	1.492(a)(4)	Claims meet PCT Articles 33(1)-(4) - IPEA - U.S.	90.00/	45.00
964/965	1.492(b)	Claims - extra independent (over three)	72.00/	36.00
966/967	1.492(c)	Claims - extra total (over twenty)	20.00/	10.00
968/969	1.492(d)	Claims - multiple dependent	220.00/	110.00
970/971	1.492(a)(5)	For filing with EPO or JPO search report	800.00/	400.00
PCT Fees - International Stages				
150	1.445(a)(1)	Transmittal fee	190.00	
151	1.445(a)(2)	PCT search fee - no U.S. application	600.00 +	
152	1.445(a)(3)	Supplemental search per additional invention	160.00 +	
153	1.445(a)(2)	PCT search prior U.S. application	400.00 +	
190	1.482(a)(1)	Preliminary examination fee - ISA was the U.S.	440.00 +	
191	1.482(a)(1)	Preliminary examination fee - ISA not the U.S.	650.00 +	

Fee Code	37 CFR	Description	Fee	Small Entity Fee if Applicable
192	1.482(a)(2)	Additional invention - ISA was the U.S.	140.00	+
193	1.482(a)(2)	Additional invention - ISA not the U.S.	220.00	+

PCT Fees to WIPO

800		Basic fee (first thirty pages)	490.00	*
801		Basic supplemental fee (for each page over thirty)	10.00	*
803		Handling fee	150.00	*
803-896		Designation fee per country	119.00	*

PCT Fee to EPO

802		International search	1,320.00	
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Patent Service Fees

561	1.19(a)(1)(i)	Printed copy of patent w/o color, regular service	3.00	
562	1.19(a)(1)(ii)	Printed copy of patent w/o color, expedited local service	6.00	
563	1.19(a)(1)(iii)	Printed copy of patent w/o color ordered via EOS, expedited service	25.00	
564	1.19(a)(2)	Printed copy of plant patent, in color	12.00	
565	1.19(a)(3)	Copy of utility patent or SIR, with color drawings	24.00	
566	1.19(b)(1)(i)	Certified or uncertified copy of patent application as filed, regular service	12.00	
567	1.19(b)(1)(ii)	Certified or uncertified copy of patent application, expedited local service	24.00	
568	1.19(b)(2)	Certified or uncertified copy of patent-related file wrapper and contents	150.00	
569	1.19(b)(3)	Certified or uncertified copy of document, unless otherwise provided	25.00	
570	1.19(b)(4)	For assignment records, abstract of title and certification, per patent	20.00	
571	1.19(c)	Library Service	50.00	
572	1.19(d)	List of U.S. patents and SIRs in subclass	3.00	
573	1.19(e)	Uncertified statement re status of maintenance fee payments	10.00	
574	1.19(f)	Copy of non U.S. document	12.00	
575	1.19(g)	Comparing and Certifying Copies, Per Document, Per Copy	25.00	
576	1.19(h)	Additional filing receipt, duplicate or corrected due to applicant error	20.00	
577	1.21(c)	Filing a Disclosure Document	10.00	
578	1.21(d)	Local delivery box rental, per annum	50.00	
579	1.21(e)	International type search report	35.00	
580	1.21(g)	Self-service copy charge, per page	0.25	
581	1.21(h)	Recording each patent assignment, agreement or other paper, per property	40.00	
583	1.21(j)	Publication in <i>Official Gazette</i>	20.00	
584	1.21(j)	Labor charges for services, per hour or fraction thereof	30.00	
585	1.21(k)	Unspecified other services	AT COST	
586	1.21(l)	Retaining abandoned application	130.00	
587	1.21(n)	Handling fee for incomplete or improper application	130.00	
588	1.21(o)	Automated Patent System (APS-text) terminal session time, per hr.	40.00	
589	1.296	Handling fee for withdrawal of SIR	130.00	
590	1.24	Patent coupons	3.00	

Patent Enrollment Fees

609	1.21(a)(1)	Admission to examination	290.00	
610	1.21(a)(2)	Registration to practice	100.00	
611	1.21(a)(3)	Reinstatement to practice	15.00	
612	1.21(a)(4)	Copy of certificate of good standing	10.00	
613	1.21(a)(4)	Certificate of good standing - suitable for framing	20.00	
615	1.21(a)(5)	Review of decision of Director, Office of Enrollment and Discipline	120.00	
616	1.21(a)(6)	Regrading of Examination	120.00	

*Trademark Fees**Trademark Processing Fees*

361	2.6(a)(1)	Application for registration, per class	200.00	
362	2.6(a)(2)	Filing an Amendment to Allege Use under § 1(c), per class	100.00	
363	2.6(a)(3)	Filing a Statement of Use under § 1(d)(1), per class	100.00	
364	2.6(a)(4)	Filing a request for a Six-month Extension of Time for Filing a Statement of Use under § 1(d)(1), per class	100.00	
365	2.6(a)(5)	Application for renewal, per class	300.00	
366	2.6(a)(6)	Additional fee for late renewal, per class	100.00	
367	2.6(a)(7)	Publication of mark under § 12(c), per class	100.00	
368	2.6(a)(8)	Issuing new certificate of registration	100.00	
369	2.6(a)(9)	Certificate of Correction, registrant's error	100.00	
370	2.6(a)(10)	Filing disclaimer to registration	100.00	
371	2.6(a)(11)	Filing amendment to registration	100.00	

Fee Code	37 CFR	Description	Fee	Small Entity Fee if Applicable
372	2.6(a)(12)	Filing § 8 affidavit, per class	100.00	
373	2.6(a)(13)	Filing § 15 affidavit, per class	100.00	
374	2.6(a)(14)	Filing combined §§ 8 & 15 affidavit, per class	200.00	
375	2.6(a)(15)	Petition to Commissioner	100.00	
376	2.6(a)(16)	Petition for cancellation, per class	200.00	
377	2.6(a)(17)	Notice of opposition, per class	200.00	
378	2.6(a)(18)	Ex parte appeal, per class	100.00	
Trademark Service Fees				
461	2.6(b)(1)(i)	Printed copy of each registered mark, regular service	3.00	
462	2.6(b)(1)(ii)	Printed copy of each registered mark, expedited local service	6.00	
463	2.6(b)(1)(iii)	Printed copy of each registered mark ordered via EOS, expedited service	25.00	
464	2.6(b)(4)(i)	Certified copy of registered mark, with title and/or status, regular service	10.00	
465	2.6(b)(4)(ii)	Certified copy of registered mark, with title and/or status, expedited local service	20.00	
466	2.6(b)(2)(i)	Certified or uncertified copy of trademark application as filed, regular service	12.00	
467	2.6(b)(2)(ii)	Certified or uncertified copy of trademark application as filed, expedited local service	24.00	
468	2.6(b)(3)	Certified or uncertified copy of trademark-related file wrapper and contents	50.00	
469	2.6(b)(5)	Certified or uncertified copy of trademark document, unless otherwise provided	25.00	
470	2.6(b)(7)	For assignment records, abstracts of title and certification per registration	20.00	
475	1.19(g)	Comparing and certifying copies, per document, per copy	25.00	
480	2.6(b)(9)	Self-service copy charge, per page	0.25	
481	2.6(b)(6)	Recording trademark assignment, agreement or other paper, first mark per document	40.00	
482		For second and subsequent marks in the same document	25.00	
484	2.6(b)(10)	Labor charges for services, per hour or fraction thereof	30.00	
485	2.6(b)(11)	Unspecified other services	AT COST	
488	2.6(b)(8)	Each hour of T-SEARCH terminal session time	40.00	
490	1.24	Trademark coupons	3.00	

General Fees

Finance Service Fees				
607	1.21(b)(1)	Establish deposit account	10.00	
608	1.21(b)(2)	Service charge for below minimum balance	20.00	
608	1.21(b)(3)	Service charge for below minimum balance restricted subscription deposit account	20.00	
617	1.21(m)	Processing returned checks	50.00	

Computer Service Fees				
618	Computer records		AT COST	

+ Effective Dec. 27, 1991.
* WIPO fees subject to periodic change due to fluctuations in exchange rate. Refer to Patent *Official Gazette* for current amounts.

DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1 and 2
Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce

Action: Final rule.

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of title 37, Code of Federal Regulations, to adjust certain patent and trademark fee amounts and to amend certain procedures in accordance with the applicable provisions of the Patent and Trademark Office Authorization Act of 1991, which was passed by the House of Representatives on November 25, 1991, and by the Senate on November 27, 1991, as H.R. 3531, and signed into law on December 10, 1991.

H.R. 3531 subsections 5(a)(1) and (2), sets base amounts for fees established by 35 U.S.C. 41(a) and 41(b). Subsections 5(a)(1) and (2) also add certain fees related to national process-

ing of Patent Cooperation Treaty applications and maintenance fees established under Pub. L. 96-517 to 35 U.S.C. 41(a) and

41(b), respectively. The base amounts set by subsections 5(a)(1) and (2) are subject to the surcharge to be set by the Commissioner to recover the deficit reduction target of \$95,000,000 in fiscal year 1992 as required by the Omnibus Budget Reconciliation Act of 1990, Pub. L. 101-508, as amended by subsection 2(a) of H.R. 3531. Subsection 5(a)(3) of H.R. 3531 gives the Commissioner authority to establish fees under 35 U.S.C. 41(d) to recover average costs, and sets the fee amount for three specific services provided by the PTO. The small entity provision, 35 U.S.C. 41(h), is continued. The small entity provision is also made applicable to maintenance fee payments based on applications filed on or after December 12, 1980, but before August 27, 1982, and to certain fees related to the national processing of Patent Cooperation Treaty (PCT) application. H.R. 3531 allows the adjustment of trademark fees to reflect fluctuations in the Consumer Price Index (CPI).

Effective Date: The rules are effective December 16, 1991 except for §§ 1.445(a) and 1.1482(a) which will be effective on December 27, 1991.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 305-8510 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed to adjust the Patent and Trademark Office fees in accordance with the provisions of H.R. 3531. Patent and trademark fees were set on October 1, 1982, in accordance with the provisions of title 35, United States Code, and the provisions of section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113).

On November 5, 1990, the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) imposed a 69 percent surcharge on all patent fees set under 35 U.S.C. 41(a) and (b). Section 10101 of Pub. L. 101-508 required the Commissioner to make recommendations for any statutory changes necessary to implement new fee proposals. PTO's authorizing legislation (Pub. L. 100-703) was to expire on September 30, 1991. Legislation to authorize appropriations for the Patent and Trademark Office for fiscal years 1992 and 1993 and for other purposes was introduced in the House of Representatives on March 22, 1991, as H.R. 1613, and in the Senate on April 9, 1991, as S. 793.

A notice of proposed rulemaking to adjust patent and trademark fees in accordance with the proposed provisions of H.R. 1613 and S. 793 was published in the Federal Register on May 10, 1991, at 56 FR 21890, and in the Official Gazette on May 21, 1991, at 1126 OG 56. A public hearing on the notice of proposed rulemaking was held on June 12, 1991.

For fiscal year 1992, H.R. 3531 waives requirements for advance publication, notice and comment contained in the patent and trademark laws and the Administrative Procedures Act, and revised fee amounts take effect on or after one day after publication in the Federal Register. To provide continuity, this final rule package modifies the notice of proposed rulemaking that was published in the Federal Register on May 10, 1991, to reflect the provisions of H.R. 3531. Comments received in response to the notice of proposed rulemaking have been addressed, even though certain comments may have been rendered moot by provisions of H.R. 3531.

BACKGROUND:

Statutory Provisions

Patent fees are authorized by 35 U.S.C. 41 and 35 U.S.C. 376. Subsections 41(a) and (b) of title 35, United States Code, establish a number of statutory fees. Among them are fees for filing a patent application, issuing a patent, and maintaining a patent in force. Subsections 5(a)(1) and (2) of H.R. 3531 amend 35 U.S.C. 41(a) and (b) by adjusting the amounts of the patent statutory fees currently established by those subsections, and by specifying certain fees related to the national processing of Patent Cooperation Treaty applications and maintenance fees on patent applications filed on or after December 12, 1980, but before August 27, 1982, in 35 U.S.C. 41(a) and 41(b), respectively.

The Omnibus Budget Reconciliation Act of 1990, Pub. L. 101-508, imposed a 69 percent surcharge on all fees authorized by 35 U.S.C. 41(a) and (b), effective November 5, 1990. Subsection 2(b) of H.R. 3531 amends that Act to require the Commissioner to establish surcharges under section 10101(a) of Pub. L. 101-508 on all fees established under 35 U.S.C. 41(a) and 41(b) to recover \$95,000,000 in fiscal year 1992.

Subsection 41(h) of title 35, United States Code, authorized a 50 percent reduction in the fees paid under 35 U.S.C. 41(a) and 41(b) by independent inventors, small business concerns, and nonprofit organizations who meet the prescribed definitions. This reduction will apply to the fees newly established in subsections 41(a) and 41(b).

Subsections 5(a)(3) of H.R. 3531 amends 35 U.S.C. 41(d) to allow the Commissioner to establish fees for all other processing, services, or materials related to patents and not specified in the amended section 41 to recover the average cost of providing these services or materials. Section 5(a)(3) also establishes the amounts for three services.

Subsection 5(b) of H.R. 3531 amends subsection 41(f) of title 35, United States Code, to provide that fees set under 35 U.S.C. 41(a) and (b) may be adjusted on October 1, 1992, and every year thereafter, to reflect fluctuations in the CPI over the previous 12 months.

Subsection 5(c) amends subsection 41(g) of title 35, United States Code, to allow new fee amounts established by the Commissioner under section 41 to take effect thirty days after notice in the Federal Register and the Patent and Trademark Office Official Gazette. However, sections 2(c), 5(c)(2) and 13 of H.R. 3531 provide that patent fees established for fiscal year 1992 will take effect on or after one day after such fees are published in the Federal Register.

Section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113), authorizes the Commissioner to establish fees for the filing and processing of an application for the registration of a trademark or other mark, and for all other services and materials relating to trademarks and other marks.

Subsection 42(c) of title 35, United States Code, provides that trademark fees available to the Commissioner are to be used exclusively for the processing of trademark registrations and for other services and materials related to trademarks. Subsection 5(e) of H.R. 3531 modifies 35 U.S.C. 42(c) so that trademark fees may be used for the processing of trademark registrations and for other activities, services, and materials relating to trademarks and to cover a proportionate share of the administrative costs of the PTO.

Subsection 5(f) amends section 31(a) of the Trademark Act of 1946 (15 U.S.C. 1113(a)) to allow trademark fees to be adjusted once each year to reflect, in the aggregate, any fluctuations during the preceding 12 months in the CPI. However, during fiscal year 1992, trademark fees may be adjusted to reflect fluctuations in the CPI during the preceding three years.

Subsection 5(f) also amends section 31 to allow new fee amounts to take effect thirty days after notice in the Federal Register and the Patent and Trademark Official Gazette. However, fees established for fiscal year 1992 will take effect on or after one day after such fees are published in the Federal Register.

Subsection 5(g) of H.R. 3531 makes conforming amendments to section 376 of title 35, United States Code, that authorizes the establishment of fees related to applications filed under the provisions of the PCT. Under current law, section 376 permits the Commissioner to set certain fees related to these applications. Amendments made in subsection 5(a)(1) of H.R. 3531, however, set some PCT-related fees in the new subsection 41(a).

Revised fee amounts go into effect on the effective date noted above, with the exception of certain PCT fees (1.445(a), and 1.482(a)), which go into effect on December 27, 1991. Under an agreement between the PTO and the World Intellectual Property Organization (WIPO) which establishes PTO as an International Searching and Examining Authority under the PCT, any amendment to certain PCT fees can take effect only after PTO provides 30 days written notice to WIPO. Notice concerning the increase to PCT international fees for international applications filed in the United States Receiving Office is included as Appendix A, and a current schedule of PCT fees, with specific effective dates, is included as Appendix B.

General Procedures

Recovery Level Determinations: Fees have been adjusted for a planned recovery of \$426,000,000 in fiscal year 1992. The fiscal year 1992 PTO budget will be adjusted accordingly.

Amounts for fees established by 35 U.S.C. 41(a) and 41(b) and 371(c)(1) are amended by H.R. 3531. Subsections 41(a) and 41(b) of title 35, United States Code, now include certain fees related to the national processing of PCT applications and maintenance fees on patent applications filed on or after December 12, 1980, but before August 27, 1982. Fee amounts established by subsections 41(a) and 41(b) are subject to the provisions of

the Omnibus Budget Reconciliation Act of 1990, as amended by H.R. 3531. These provisions require that \$95 million be raised in fiscal year 1992 for deficit reduction purposes. As a result, the fees established in subsections 41(a) and 41(b) have been increased by 38 percent to generate this \$95,000,000 in fiscal year 1992. After application of the 38 percent increase to the base fees, amounts were rounded by applying standard arithmetical rules so that the amounts rounded would be de minimis and convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$2 and \$99 were rounded to the nearest even number so that the comparable small entity fee would be a whole number.

Non-Statutory patent service fees and PCT processing fees are adjusted to recover planned costs for 1992. However, three patent service fees are set by statute. These are assignment fees, printed patent copy fees and photocopy charge fees. In response to comments on the proposed level of the non-statutory patent fee amounts and the direction by Congress to reduce costs overall and, hence, associated fees, from the requested 1992 budget of \$462 million to a level of \$426 million, many of the adopted fee amounts are less than the proposed amounts.

Subsection 5(f) (2) of H.R. 3531 allows trademark fees to be adjusted in fiscal year 1992 to reflect changes over the prior three fiscal years in the Consumer Price Index. The Office of Management and Budget has determined that the PTO should use Consumer Price Index-U to adjust trademark fees. The Department of Labor's Consumer Price Index is made public approximately 21 days after the end of the month being calculated. The trademark fees are being adjusted by 13.8 percent.

Workload Projections: Determination of workloads varies by fee code. Principal workload projection techniques are as follows:

Patent and trademark application workloads are projected from statistical regression models using recent application trends. Patent issues are projected from an in-house patent production model and reflect examiner production achievements and goals. Patent maintenance fee workloads utilize patents issues 3.5, 7.5 and 11.5 years prior to payment and assume payment rates of 75 percent, 50 percent and 25 percent, respectively. Trademark affidavit projections are based on filing trends for marks registered five to six years prior. Trademark renewal projections are based on marks registered 20 years prior to 1992. Service fee workloads follow linear trends from prior year activities. Workload estimates are calculated by the PTO's Office of Budget and the office responsible for the fee activity.

A comparison of existing and revised fee amounts is included as Appendix C to this notice. Any fee amount that is paid on or after the *effective date* is subject to the new fee schedule. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing, where authorized under 37 CFR 1.8, will be considered to be the date of receipt in the PTO. A "Certificate of Mailing under section 1.8" is not "proper" for items which are specifically excluded from the provisions of section 1.8. Section 1.8(a)(2) should be consulted for those items for which a Certificate of Mailing is not "proper." Such items include, inter alia, the filing of national and international applications for patents and the filing of trademark applications. The provisions of 37 CFR 1.10 relating to filing papers and fees with an "Express Mail" certificate, however, do apply to any paper or fee (including patent and trademark applications) to be filed in the PTO. If an application or fee is filed by "Express Mail" with a proper certificate dated on or after the effective date of the rules, the amount of the fee to be paid is the fee established herein.

A discussion of specific sections is set forth below.

DISCUSSION OF SPECIFIC RULES

37 CFR 1.12 Assignment records open to public inspection.

Section 1.12, paragraph (a), is amended to change the reference for payment of a fee to section 1.19(b)(3), and add a reference to the fee set in trademark rules at section 2.6(b)(5). Section 1.12, paragraph (d), is amended to change the reference

for payment of a fee to section 1.21(j), and add a reference to the fee set in the trademark rules at section 2.6(b)(10).

37 CFR 1.13 Copies and Certified copies

Section 1.13 is amended to revise paragraph (b) to be consistent with revisions to paragraphs 1.19(b) and 2.6(b).

37 CFR 1.16 National application filing fee.

Section 1.16, paragraphs (a), (b), (d) and (f)-(j), is revised to reflect the amendments made by subsections 2(b) and 5(a)(1) of H.R. 3531 as described above under General Procedures.

Section 1.16, paragraph (e), is revised to adjust the patent application surcharge fee authorized by 35 U.S.C. 41(d) and 111. Paragraph (e) has been modified from the proposal to provide a two-tier fee structure for the payment of the surcharge. The fifty percent reduction for those that have established small entity status is applicable to the surcharge for filing the basic filing fee, oath or declaration on a date later than the filing date of the application. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amount is less than the amount proposed.

37 CFR 1.17 Patent application processing fees.

Section 1.17, paragraphs (a)-(g), (l) and (m), is revised to reflect the amendments made by subsections 2(b) and 5(a)(1) of H.R. 3531 as described above under General Procedures.

Section 1.17, paragraphs (h)-(k), is revised to adjust fees authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amounts are less than the proposed amounts.

Section 1.17, paragraphs (n) and (o), is revised to adjust fees authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. The fee amounts in 37 CFR 1.17(n) and (o) are higher than proposed because the amount of the application basic filing fee on which these amounts are based was increased by subsections 2(b) and 5(a)(1) of H.R. 3531.

37 CFR 1.18 Patent issue fees.

Section 1.18 is revised to reflect the amendments made by subsections 2(b) and 5(a)(1) of H.R. 3531 as described above under General Procedures.

37 CFR 1.19 Document supply fees.

Section 1.19, paragraphs (a), (b) and (d)-(h), is revised to adjust fees authorized by 35 U.S.C. 41(d) as amended by 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amounts in paragraphs (a)(1)(iii), (a)(2), (a)(3), (b)(1), (b)(4), (d), and (f) are less than the proposed amounts.

Section 1.19 is revised further to establish that the Office will sell certified or uncertified copies of documents at the same flat fee. Most requests for documents are for certified copies. Customers who need uncertified copies of documents or copies of portions of documents also are able to make those copies themselves at a self-service copy charge, per page.

Subparagraph (a)(1) also is revised to clarify and set fees for different levels of service available for obtaining copies of patents in black and white. In addition to regular service, the PTO will provide for expedited local service to be fulfilled within one workday for orders delivered to the Public Service Window at double the fee amount set for regular service; and expedited service for copies ordered via electronic ordering service and delivered by overnight delivery service as previously provided by subparagraph (a)(6). There are two Public Service Windows at the PTO: one in the Patent Search Room and another in the

Trademark Search Library. Unless otherwise requested, copies of patents will be delivered to the Public Service Window in the Patent Search Room.

Section 1.19, subparagraph (a)(2), is revised further to delete reference to copies of statutory invention registrations in color, which will be provided by renumbered subparagraph (a)(3).

Section 1.19 is revised to delete existing subparagraph (a)(3). In the future, the PTO only will provide certified or uncertified copies of documents at a flat fee, as set forth in renumbered subparagraph (b)(3).

Section 1.19, renumbered subparagraph (a)(3), is revised further to clarify and set fees for different levels of service available for obtaining copies of utility patents or statutory invention registrations containing color drawings. Subparagraph (a)(3) has been modified from the proposal to delete reference to expedited local service because this service cannot be provided by the PTO contractor.

Section 1.19 is revised further to delete subparagraphs (a)(5) and (a)(6). The service formerly provided under subparagraph (a)(5) will be provided under subparagraphs (a)(1)(ii), and (a)(2)(ii), and the service formerly provided under subparagraph (a)(6) will be provided under (a)(1)(iii).

Section 1.19, subparagraph (b)(1), is revised further to clarify and set fees for different levels of service available for obtaining certified or uncertified copies of patent applications as filed. In addition to regular service, the PTO will provide for expedited service, fulfilled within five work days, excluding mailing time, at double the fee amount set for regular service.

Section 1.19, subparagraph (b)(2), is revised to reduce the fee for providing a certified or uncertified copy of a patent file wrapper and contents.

Section 1.19 is revised further to delete existing subparagraph (b)(3). Certified or uncertified copies of assignment records will be provided under renumbered subparagraph (b)(4).

Section 1.19 is revised further to delete existing subparagraph (b)(4). Certified or uncertified copies of Office records will be provided under renumbered subparagraph (b)(3). Expedited service as currently provided under existing subparagraph (b)(4) will be provided under subparagraph (b)(1)(ii).

Section 1.19 is revised further to renumber subparagraph (b)(5) as (b)(3). Section 1.19, subparagraph (b)(3), is revised to establish that the PTO provides certified or uncertified copies of documents at one flat fee amount.

Section 1.19 is revised further to renumber subparagraph (b)(6) as (b)(4) and to include services formerly provided under subparagraph (b)(3) in addition to certified and uncertified copies of abstracts of title.

Section 1.19 paragraph (g), is modified from the proposal. The PTO will continue to compare and certify copies of documents made from PTO records, but not prepared by PTO staff.

37 CFR 1.20 Post-issuance fees.

Section 1.20, paragraphs (a)-(c), is revised to adjust the fees authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amounts are less than the amounts proposed.

Section 1.20, paragraph (d), is revised to reflect the amendments made by subsections 2(b) and 5(a)(1) of H.R. 3531 as described above under General Procedures.

Section 1.20, paragraphs (e)-(g), is revised to reflect the amendments made by subsections 2(b) and 5(a)(2) of H.R. 3531 as described above under General Procedures, and to provide for the payment of maintenance fees on original and reissue patents,

except design or plant patents, based on all applications filed on or after December 12, 1980. Paragraphs (e)-(g) formerly provided for the payment of maintenance fees on original and reissue patents, except design or plant patents, based on applications filed on or after December 12, 1980, but before August 27, 1982. Paragraphs (h)-(j), which are deleted, provided for the payment of maintenance fees on original and reissue patents, except design or plant patents, based on applications filed on or after August 27, 1982. The distinction in the maintenance fee due based on the application filing date was eliminated by subsection 5(a)(2) of H.R. 3531.

For patents based on applications filed on or after December 12, 1980, but before August 27, 1982, patent owners must establish small entity status according to 37 CFR 1.27 if they have not done so and if they wish to pay the reduced fee amounts.

Section 1.20 is revised to delete paragraphs (h)-(j). The fees for maintaining all original or reissue patents, except design or plant patents, including those based on applications filed on or after August 27, 1982, are set forth in paragraphs (e)-(g). Reissue patentees are reminded that the due dates for payment of maintenance fees are computed from the date of grant of the original (non-reissue) patent.

Section 1.20 is revised to renumber paragraph (k) as paragraph (h), and adjust the fee amount authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. Revised paragraph (h) provides for a surcharge for payment of maintenance fee during the six-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after December 12, 1980. Paragraph (k) formerly provided for a surcharge for late payment of maintenance fees or original and reissue patents, except design or plant patents, based on applications filed on or after December 12, 1980, but before August 27, 1982. Paragraph (l), which is deleted, provided for a surcharge for late payment of maintenance fees on original and reissue patents, except design or plant patents, based on applications filed on or after August 27, 1982.

Section 1.20, new paragraph (h), has been modified from the proposal to provide a two-tier fee structure for payment of the maintenance fee surcharge. The fifty percent reduction for those that have established small entity status is applicable to the surcharge for payment of maintenance fees within the six-month grace period. Further, in response to comments and Congressional direction, the adopted fee amount is less than the amount proposed.

Section 1.20 is revised to delete paragraph (l). The fees for the late payment of a maintenance fee for all original or reissue patents, except design or plant patents, based on applications filed on or after December 12, 1980, are set forth in renumbered paragraph (h).

Section 1.20 is revised to renumber paragraphs (m) and (n) as paragraphs (i) and (j), and adjust the fee amounts as authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. Further, in response to comments and Congressional direction, the adopted fee amount in paragraph (i) is less than the amount proposed.

37 CFR 1.21 Miscellaneous fees and charges.

Section 1.21, paragraphs (a), (c), (e), (g), (h), (j), (i) and (n), is revised to adjust fees as authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amounts in subparagraphs (a)(1), (a)(3), (a)(5), (a)(6), (j), (i) and (n) are less than the amounts proposed. The purposed changes to paragraphs (d) and (m) have not been adopted.

Section 1.21, subparagraph (a)(4), is revised further to provide a certificate of good standing for \$10 and a certificate that is suitable for framing at double that fee amount.

Section 1.21, subparagraph (b)(1), is revised to eliminate the fee requirement for reinstating a deposit account. This fee requirement has been found to be unnecessary because the Office no longer suspends accounts when there is no activity.

Section 1.21 is revised to delete paragraph (f), since searching PTO records will be provided under revised paragraph (j). Paragraph (f) is reserved.

Section 1.21, paragraph (g), is revised further to clarify that the .25 fee amount for each photocopy established by subsection (a)(3) of H.R. 3531 is for a self-service copy charge amount, per page. The self-service copy charge will be applied to the per copy amounts on copy access system cards as previously provided by this paragraph.

The same copy charge will be required for each printed page generated from the Automated Patent System, as previously provided by paragraph (q).

Section 1.21, paragraph (h), is revised to establish the fee for recording each assignment in accordance with subsection 5(a)(3) of H.R. 3531.

Section 1.21, paragraph (j), is revised to eliminate the fee for providing duplicate Office user passes. The Office will provide duplicate passes free of charge.

Revised paragraph (j) establishes one fee amount for each hour of service, or fraction thereof, requested from the PTO. Examples of services are searching PTO records, as previously provided by this paragraph; PTO staff assistance to conduct a search using the Automated Patent System, as previously provided in paragraph (p); and other miscellaneous requests for services where PTO staff are providing direct labor support to customers.

Section 1.21, paragraph (k), is revised to require the payment of the actual cost for performing special services provided by the PTO. Generally, services provided by the PTO would be charged at the \$30.00 hourly rate set forth in paragraph (j) of this section. Paragraph (k) is reserved for non-labor charges, such as computer services, special supplies, extra mailing costs, etc., that are authorized by the customer.

37 CFR 1.24 Coupons.

Section 1.24 is revised to adjust the fee for the purchase of coupons for patents and trademarks to make it comparable to the fee required for the purchase of copies of patents and trademarks and to adjust the amount of the coupon books.

37 CFR 1.26 Refunds.

Section 1.26, paragraph (c), is revised to provide for a refund of \$1,635 if the Commissioner decides not to institute reexamination proceedings. The \$1,635 refund would apply to those instances where the proposed reexamination fee of \$2,180 under 37 CFR 1.20(c) was paid. The current \$1,500 refund would be made in those cases where the current \$2,000 reexamination fee was paid.

37 CFR 1.171 Application for reissue.

Section 1.171, paragraph (a), is revised to change the reference for payment of a fee for a title report to section 1.19(b)(4).

37 CFR 1.296 Withdrawal of request for publication of statutory invention registration.

Section 1.296 is revised to adjust the handling fee for withdrawal of a statutory invention registration as authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amount is less than the proposed amount.

37 CFR 1.362 Time for payment of maintenance fees.

Section 1.362 is amended to revise paragraphs (a) and (e) to refer to renumbered paragraphs in section 1.20, and to revise paragraph (b) to clarify that maintenance fees are not required for any plant or design patents.

37 CFR 1.378 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.

Section 1.378 is amended to revise paragraphs (a)-(c) and (e) to refer to renumbered paragraphs in section 1.20.

37 CFR 1.445 International application filing, processing, and search fees.

Section 1.445 is revised to adjust the fees authorized by 35 U.S.C. 376 for international application processing as set forth in 37 CFR 1.445(a) in accordance with subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amounts are less than the amounts proposed.

37 CFR 1.482 International preliminary examination fees.

Section 1.482 is revised to adjust the fees in paragraph (a) in accordance with subsection 5(a)(3) of H.R. 3531. In response to comments on the proposed level of the non-statutory patent fee amounts and Congressional direction to recover a lower level of planned costs overall, the adopted fee amount is less than the amount proposed.

37 CFR 1.492 National stage fees.

Section 1.492, paragraphs (a)-(d), is revised to reflect the amendments made by subsections 2(b) and 5(a)(1) and 5(g) of H.R. 3531 as described above under General Procedures.

Section 1.492 is revised further to add new subparagraph (a)(5) to set forth a fee upon entering the national stage when a search report on the international application has been prepared by the European Patent Office or the Japanese Patent Office. The proposed fee amount includes a reduction approximately equivalent to the reduction of 20 percent of the cost of conducting a search that is given by the European and Japanese Patent Offices upon entering the national state when a search report in a international application has been prepared by the U.S. Patent and Trademark Office.

Section 1.492, paragraphs (e) and (f), is revised to adjust fees authorized by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531. Paragraph (e) has been modified from the proposal to provide a two-tier fee structure for payment of the surcharge. The fifty percent reduction for those who have established small entity status is applicable to the surcharge for late filing of the basic national fee or oath or declaration later than 20 month from the priority date.

37 CFR 1.740 Application for extension of patent term.

Section 1.740, paragraph (a)(14), is revised to change the reference to the rule for extension of a patent term to section 1.20(j).

37 CFR 1.770 Express withdrawal of application for extension of patent term.

Section 1.770 is revised to change the reference to the rule for extension of a patent term to section 1.20(j).

37 CFR 2.6 Trademark fees.

Section 2.6 is revised to be divided into two sections. Revised paragraph (a) includes all trademark processing fees and revised paragraph (b) includes all trademark service fees. Paragraphs (a) and (u) are renumbered as subparagraphs (a)(1) and (a)(2); paragraphs (v), (b), (s), (c)-(l) are renumbered as subparagraph (a)(4)-(a)(16), respectively; and paragraph (m) is renumbered as subparagraph (a)(18). New subparagraphs (a)(3) and (a)(17) are added.

Paragraph (n) is renumbered as subparagraph (b)(1); paragraphs (o), (q), (r), and (w) are renumbered as subparagraphs (b)(5)-(b)(8), respectively; and paragraph (t) is renumbered as subparagraph (b)(11). New subparagraphs (b)(2)-(b)(4), (b)(9) and (b)(10) are added.

Section 2.6, renumbered paragraphs (a)(1) and (b), is revised further to adjust fee amounts in accordance with subsection 5(f) of H.R. 3531. In response to comments on the proposed level of the trademark fee amounts and Congressional direction to limit adjustments to fluctuations in the Consumer Price Index, the adopted fee amounts in subparagraphs (a)(1), (b)(1)(iii), (b)(2), (b)(4), (b)(7), and (b)(10) are less than the proposed amounts. The proposed changes to subparagraphs (a)(6) and (a)(12)-(18) have not been adopted.

Subparagraph (a)(2) is revised further to delete reference to filing a statement of use. New subparagraph (a)(3) is established for filing a statement of use under section 1(d)(1) of the Act, per class. This clarifies that a \$100 fee amount is due for each action requested.

Subparagraph (a)(5) has been modified from the proposal so that the words "an application" are not deleted.

Subparagraph (a)(6) is revised further to clarify the requirement for paying an additional fee for a renewal application made within three months of the expiration of the registration.

Subparagraph (a)(16) is revised further to delete reference to filing a notice of opposition. New subparagraph (a)(17) is established for filing a notice of opposition.

Section 6.6(b) is revised further to establish that the Office will sell certified or uncertified copies of documents at the same flat fee. Most requests for documents are for certified copies. Customers who need uncertified copies of documents or copies of portions of documents also are able to make those copies themselves for a self-service copy charge, per page.

Subparagraph (b)(1) is revised further to delete reference to a copy showing title and/or status. In addition, this subparagraph clarifies the levels of service available for obtaining printed copies of trademarks. In addition to regular service provided by subparagraph (b)(1)(i), the PTO will provide, in new subparagraph (b)(1)(ii), for expedited local service to be fulfilled within one workday for orders delivered to a Public Service Window at double the fee amount for regular service. There are two Public Service Windows at the PTO: one in the Patent Search Room and another in the Trademark Search Library. Unless otherwise requested, all copies of trademarks will be delivered to the Public Service Window in the Trademark Search Library. New subparagraph (b)(1)(iii) establishes a fee for providing expedited service for a copy of a registered mark ordered by electronic ordering service and delivered to the customer within two workdays.

Under new subparagraph (b)(2), the PTO will provide a certified or uncertified copy of a trademark application as filed. In addition to regular service provided under (b)(2)(i), the PTO will provide, in subparagraph (b)(2)(ii), for expedited service fulfilled within five workdays, excluding mailing time, at double the fee amount for regular service.

Under subparagraph (b)(3), the PTO will provide certified or uncertified copies of trademark file wrappers and contents at the same flat fee amount.

Subparagraph (b)(4) is revised further to provide certified copies of registered marks, showing title and/or status, as provided under the current section 2.6(n). In addition to regular service provided by (b)(4)(i) at a fee, the PTO will provide, in subparagraph (b)(4)(ii), for expedited service fulfilled within five workdays from receipt of request in the Trademark Post-Registration Division, excluding mailing time, at double the fee amount for regular service.

Subparagraph (b)(5) is revised further to provide certified or uncertified copies of trademark records, per document, except as

otherwise provided in this section, at a flat fee amount. Further, expedited services now are included as subparagraphs (b)(2)(ii) and (b)(4)(ii).

Section 2.6 is revised to delete existing paragraph (p). A self-service copy charge is provided in subparagraph (b)(9) of this section.

Section 2.6, subparagraph (b)(6), has been modified from the proposal to establish a fee of \$40 for the first property and a fee of \$25 for all subsequent properties.

Subparagraph (b)(7) is revised further to clarify that the fee amount charged will cover a search of assignment records and an abstract of title and certification.

Section 2.6 is revised to delete paragraph (x). This service will be provided under proposed subparagraph (b)(9).

New subparagraph (b)(9) will establish a self-service copy charge, per page, and will be a replacement for the services offered in paragraphs (p) and (x) which are being deleted. The \$.25 self-service copy charge will be applied to the per copy amounts on copy access system cards, and for each printed page generated from the Automated Trademark System, as previously provided by paragraph (x).

New subparagraph (b)(10) establishes one fee amount for each hour of service, or fraction thereof, requested from the PTO. Examples of services would be searching PTO records, as previously provided by this paragraph, and other miscellaneous requests for services where PTO staff are providing direct labor support to customers.

Subparagraph (b)(11) is revised to clarify that the services to be provided would be those that are not specified elsewhere in the statute or rules. Adding this language makes the working of this rule comparable to section 1.21(k). Generally, services provided by the PTO will be charged at the \$30.00 hourly rate set forth in subparagraph (b)(10) of this section. Subparagraph (b)(11) is reserved for non-labor charges, such as computer services, special supplies, extra mailing costs, etc., that are authorized by the customer.

Response to Comments on The Rules

A notice of proposed rulemaking to adjust patent and trademark fees in accordance with the proposed provisions of H.R. 1613 and S. 793 was published in the Federal Register on May 10, 1991, at 56 FR 21890, and in the Official Gazette on May 21, 1991, at 1126 OG 56. A public hearing was held on June 12, 1991.

Although comments were received on a variety of subjects related to patents and trademark examination processes, only those relating directly to this notice are being addressed. Other comments relating to patents have been forwarded to the Advisory Commission on Patent Law Reform for their review and Consideration. Examples of comments that have been referred to the Advisory Commission include:

Comment: One respondent stated that, because some patentees make money off their patents while others "enhance the progress in the useful arts" by disclosing technology, not all inventors should share the same costs. PTO should investigate measures for decreasing costs, increasing efficiencies, and reallocating costs among users.

Comment: Fees should be raised proportionately without eliminating the two-tier system and with only baseline budgets.

Comment: PTO should set maintenance fees based on the use of the patent; for example, similar to a sales tax which would be reported and paid by the owner of the patent.

Comment: An alternative to the two-tiered system would be a system whereby one-half the fees for a small entity would be deferred until five years after the patent is granted.

Comment: PTO should reexamine the post-issuance process as a potential source of new revenues, e.g., raising fees for assignments and establishing filing fees for the recordation of lawsuits. More intensive use of maintenance fees could result in a trust fund to be used for such major projects as automation.

Comment: The patent system might benefit if PTO were established as a Government corporation. As a Government corporation, the PTO would have the financing and management flexibility which has benefitted other Government agencies.

Comment: PTO should redefine a small entity in order to decrease the number of persons receiving the subsidy.

The following comments relate to the proposed rule notice:

Comment: A majority of the comments received protested the PTO's proposal in H.R. 1613 and S. 793 to limit the small entity subsidy to application fees and claims fees paid upon filing.

Response: As enacted, H.R. 3531, did not contain the proposed change. Therefore, the small entity subsidy provided in 35 U.S.C. 41(h) continues to apply to fees set forth in 35 U.S.C. 41(a) and (b) as amended by subsections 5(a)(1) and (2) of H.R. 3531.

Comment: The PTO should publish an additional fee schedule and invite public comments after legislation is approved by Congress.

Response: Due to the delay in the enactment of PTO's authorization legislation, Congress waived normal notice and comment rulemaking procedures. Thus, H.R. 3531 provides that, in fiscal year 1992, the fees will take effect on or after one day after the fees are published in the Federal Register.

Comment: Several respondents indicated that the proposed rules would establish the PTO as a user-funded government agency and, as such, the Office would no longer be subject to Congressional oversight.

Response: The Office became essentially user-fee funded, with the exception of approximately \$1.5 million of taxpayer revenues in fiscal year 1992, upon enactment of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) on November 5, 1990. That Act simply changed the source of funding for the PTO but did not change its character as a Federal agency which is part of the Department of Commerce within the Executive Branch. As a Federal agency, the PTO must prepare and submit its annual budget requests to the Secretary of Commerce and the Office of Management and Budget. The PTO's request is included in the President's annual budget submission to Congress. Congress continues to have oversight for PTO programs, and the annual budget request is subject to the congressional appropriations process. H.R. 3531 also contains a provision whereby the PTO will continue to submit an annual report to the Committees on the Judiciary of the Senate and the House of Representatives which includes fee collections for the prior years; activities during the prior year that were supported by fee expenditures; budget plans for significant programs, projects and activities; and any proposed disposition of surplus fees by the Office. Furthermore, the PTO is governed by reprogramming guidelines specified in the Department of Commerce's annual appropriations act.

Further, subsection 5(d)(3) of H.R. 3531 requires the Commissioner to report to the Congress, with publication in the Federal Register, on the automated search system, and its use by the public.

Comment: Why should present users be forced to support impractical and wasteful PTO programs and policies, such as the automation program and the installation of posh conference room.

Response: While questions had been raised as to the source of funding for the PTO's automation program, several witnesses at oversight hearings supported the need to automate patent and trademark operations.

The automation programs are designed to improve the quality and timeliness of PTO services and products, and to discontinue reliance on outmoded manual processes and paper references. These improvements will benefit not only PTO employees but also PTO users. Decisions by Congress on PTO fees in 1992 have been interpreted as supportive of the automation programs (since fees fund the programs), although less funds for the programs will result in slower implementation.

With respect to the PTO's conference rooms, PTO attempts to provide a favorable work environment for its employees and for its customers while they are doing business at the Office.

Comment: PTO should look for hardware and software that is already completed rather than developmental for its automation program.

Response: In March 1988, an Industry Review Panel was established by the Secretary of Commerce to review the Automated Patent System (APS) program. Their findings regarding the design and architecture of APS were: "At this time, there is no totally off-the-shelf system that can provide the capabilities and performance PTO needs for patent search and retrieval. Even the majority of the individual components are not available off-the-shelf. Currently available products do not provide the performance (e.g., flip rate) nor can they handle the workload (e.g., number of users and data volumes) required if APS is to support the examining corps in its day-to-day operations. For example, even considering the recent advances in workstation technology, a custom workstation is needed for APS image retrieval and manipulation."

In light of several technological forecasts performed since then, the PTO continues to agree with this assessment. However, the report also stated, "the PTO should [plan] to re-procure key systems components [at appropriate times] to take advantage of improvements in technology and dropping prices. Therefore, within the last few years, the PTO has begun to reprocure several major APS components, such as the devices used to store electronic images of patents, the workstations used for searching these images, and the network needed to connect APS."

Comment: PTO should determine whether or not private contractors in industry can accomplish functions of the PTO.

Response: PTO has been following the guidelines of OMB Circular A-76, "Performance of Commercial Activities", since 1981. PTO's A-76 studies identified specific savings that were taken in fiscal years 1983 and 1985 budgets for activities such as file maintenance, facilities management and patent copy fulfillment. The PTO will continue to examine those functions new undertaken by Federal personnel that could be performed by contractor personnel.

Comment: Fee amounts will become unreasonable and unfair if the Commissioner is given the opportunity to increase them every two years.

Response: This provision, Which was proposed in H.R. 1613, is not included in the enacted legislation. H.R. 3531 provides that patent statutory fees (for example, filing, issue and maintenance fees) may be adjusted each year by fluctuations in the Consumer Price Index over the preceding 12 months.

Comment: Congress has given the Commissioner the ability to tax the public by charging fees at amounts greater than the cost of providing the service. In particular, non-statutory fees should be set to recover the actual cost of a service or product and not to recover a percentage of overall operating costs.

Response: H.R. 3531 directs that patent non-statutory fees be established "to recover the estimated average cost to the Office of such processing, services, or materials." Exceptions are assignment, photocopy and printed copy fees which are set by statute. The PTO has complied with Congressional intent on this subject, and many fee amounts have been lowered from the proposal.

Comment: The premises, assumptions and models used in formulating the proposed fees are not provided so that a respondent can determine whether the fee increases are justified.

Response: Since the publication of the notice of proposed rulemaking on May 10, 1991, the PTO's proposals for 1992 fee rates and its budget have undergone significant changes. The proposed rule package would have adjusted fees to recover a 1992 budget of \$462 million. The fee adjustments that have been adopted in this final rule package will recover a 1992 budget of \$462 million, a reduction of \$36 million. This recovery level reflects Congressional views on the amount of change required for each fee and on the content of the 1992 budget request. An explanation of the methodology used in formulating the adopted fee amounts is included under General Procedures.

Comment: There appears to be no added value for the increased fees since there are no significant improvements in services planned.

Response: The proposed rule package which was published in the Federal Register on May 10, 1991, would have adjusted fees to address a 1992 budget of \$462 million. This proposed budget included \$110 million in increases over the 1991 budget. At an aggregated level, the \$110 million increase addressed the following: \$30 million for inflation, cost-of-living salary adjustments and other uncontrolled costs; \$45 million for increased workload; \$18 million for automation initiatives for patents and trademarks; and \$17 million for quality enhancements.

Included in the above are improvements in service such as deployment of the Automated Patent System to the public and to the examiners in 1993; improved search services for biotechnology patent examiners; replacement of the automated search system in Trademarks (T-Search); improved management of the patent and trademark operations; enhanced patent classification services; and maintenance of patent and trademark pendency goals.

The PTO currently is in the process of readjusting its 1992 programs and plans to respond to the proposed \$426 million program level that is the result of H.R. 3531.

While this level is still a significant increase above the 1991 budget, the majority of the increased funds will be used to address inflationary and other uncontrollable costs and workloads. Many of the initiatives proposed under the \$462 million level cannot be undertaken in 1992.

Comment: The divergence in charges for recording assignments within a four-year period appears arbitrary, and brings into question the rationale and assumptions used in creating the increase. If owners were to forego the process of recording assignments, PTO records would be incomplete, registration could not be renewed in the name of the true owner, and the patent and trademark systems would suffer. A more viable approach would be to return to a reasonable base fee and a reduction of the fee for subsequent properties.

Response: Trademark assignment fees previously were set at \$100 for the first property and \$20 for all subsequent properties. The original trademark fee schedule was recommended by Congress, in conjunction with the trademark user community, and was designed to keep the filing fee low and raise certain other fees to recover the costs of the Office. In 1989, the trademark assignment fees were reduced to a flat \$8 per property. Although this was the actual unit cost to the Office for processing assignments at that time, it was based on antiquated systems, lengthy processing times and questionable quality. In response to public comments, particularly those from the Public Advisory Committee for Trademark Affairs, fees of \$40 for the first trademark property and \$25 for all subsequent properties in the same document have been adopted.

A flat \$40 per patent property assignment fee is established by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) of H.R. 3531.

Comment: PCT fees are proposed at disproportionately higher levels than U. S. national fees. This disparity compromises both the spirit of the PCT and its practical effectiveness for users.

Response: Some PCT fees were set by Congress in H.R. 3531. As to the fees for which the Commissioner has been delegated authority to set, these fees have been modified to more accurately reflect the costs of providing the associated services as required by 35 U.S.C. 41(d) as amended by subsection 5(a)(3) or H.R. 3531.

Comment: The omission of small entity reductions for PCT applicants, but not national applicants, discriminates against small entities which use the PCT.

Response: National stage PCT fees have been added to 35 U.S.C. 41(a), therefore making applicants eligible for the small entity reduction.

Comment: The PCT fees for entry into the national stage should be reduced.

Response: PCT fees for entry into the national stage essentially have been set by Congress. The PCT national stage fees are generally at a higher level than U.S. national fees to reflect the increased cost associated with processing national stage applications having multiple inventions which must be processed pursuant to the principle of unity of invention. This difference between national stage fees and national application fees was established at the time of and because of a change in approach to unity of invention issues as a result of the decision in *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, 650 F. Supp. 2108, 231 USPQ 590 (E.D.Va. 1986).

Comment: Fees for PCT applications which include an international advisory search and examination by a foreign patent office effectively penalize rather than recognize the procedural assist.

Response: The content of an international search report or results of a preliminary examination would generally come to the attention of the PTO through an information disclosure statement or through communications from the International Bureau. Where the Japanese Patent Office or European Patent Office provides both the results of the search together with copies of the documents and their pertinence to patentability, these reports have been of assistance to the PTO examiner and are reflected in the new fee.

Comment: As a cost-saving and efficiency measure, the PTO should remove all prescreening of applications and require the examiner to perform any screening needed.

Response: To require patent examiners to perform screening of the formal requirements of the filing of an application would not be efficient or result in cost savings. This screening is performed by clerical personnel in the Application Branch who are paid less than patent examiners and can readily and effectively review and patent application for compliance with formal requirements.

Comment: PTO should remove the statutory change relating to the declaration to avoid the need to staff the Office with trained individuals for reviewing the document. The regulations could be replaced with a mere statement of inventor's name and address provided by the applicant. At the very least, the PTO should allow filing of facsimile copies of declarations at the filing date to avoid the late fee.

Response: The requirement for an oath or declaration is set by statute (35 U.S.C. 115) and is not subject to elimination under the rulemaking authority of the Commissioner. The appropriateness of accepting papers by facsimile has been the subject of a trial program and will be addressed in a future proposal.

Comment: The proposed change which would establish one petition fee amount is reasonable for some petitions and unreasonable for other petitions.

Response: The fee proposed for petitions and other fees are intended to recover the estimated cost of the operations of the PTO. Each petition fee need not, and does not, necessarily recover only the cost of processing and deciding a specific type of petition. Use of one petition fee amount eases the administra-

tive burden on the public and on the PTO of being required to determine the correct fee amount for the particular petition being filed.

Comment: The proposed 50 percent increase in the reexamination fee is too high.

Response: A fee amount of \$2,180, which represents a nine percent increase, has been adopted.

Comment: The progressive schedule for the extension-of-time fees is burdensome on a foreign applicant, particularly a small entity. Processing a three-month extension does not require any more effort from PTO than processing a one-month extension.

Response: Extension of time fees are mandated by statute and any increases reflect changes in the CPI as permitted by 35 U.S.C. 41 (f) as amended by subsection 5(b) of H.R. 3531.

Comment: The proposed increase in the fee to \$300 for late filing of an inventor's oath and/or filing fee might force applicants to delay filing while, for example, obtaining an absent inventor's signature. Public policy to encourage prompt filing—especially important in securing international rights in countries observing strict novelty requirements—suggests the fee be more moderately adjusted.

Response: The adopted fee amount is \$130.00 and the small entity subsidy is applicable to surcharge fees for late filing of the basic filing fee or oath or declaration (37 CFR 1.16(e)), for paying a maintenance fee within the six month grace period (37 CFR 1.20(h)), and for filing the basic national fee or oath or declaration later than 20 months in a PCT application (37 CFR 1.492(e)).

Comment: Two respondents expressed opposition to the proposed elimination of the trademark "fence" which, along with stringent public and Congressional oversight, has generally resulted in a fair and reasonable fee schedule. Trademark operations already are 100 percent user-fee funded, and proportionately contributing to PTO overhead costs does not justify the proposed fee increases.

Response: The enacted legislation, H.R. 3531, maintains the "fence" around the use of trademark fees. Trademark fees, however, can be used to fund activities relating to trademarks and to cover a proportionate share of the administrative costs of the PTO.

Comment: The Assistant Commissioner for Trademarks has stated that the actual cost of examining a new trademark application is approximately \$225, yet the proposed fee is \$250. This could generate a substantial trademark operating surplus which eventually could help underwrite patent operations.

Response: The fee for filing a trademark application has been set at \$200. This amount is consistent with the original trademark fee schedule that was recommended by Congress, in conjunction with the trademark user community, to keep the filing fee low and raise certain other fees to recover the costs of the Office.

Comment: The proposed increase in the trademark application filing fee without a corresponding change in Office needs, activities or costs could create a disincentive to Federal registration.

Response: There has been a change in Office needs, activities and costs which justifies the fee increase to \$200. As a result of implementation of the Trademark Law Revision Act of 1988, the Office has hired a substantial number of new examining attorneys and other personnel and relocated to new, more appropriate office space. Further, the Office will incur costs connected with the replacement of its current automated search system.

Comment: One respondent questioned PTO's statement in the notice of proposed rulemaking that small entities have the option of not registering their marks under the Federal system, but can choose to use their marks under common law. Deterring applicants from using the Federal registration system will have two

additional undesirable consequences. Since fewer trademark owners will apply for registration, the projected revenues may be reduced, thus impairing operations. Second, with declining use of the Federal system, proportionately more trademarks will not be readily available for searching purposes. Potential trademark owners will face higher risks in adopting and using new marks.

Response: The proposal has been modified to adopt a fee of \$200 for filing a trademark application. The referenced statement was made in the section of the proposed rulemaking that addressed the potential impact of the proposed fees on small business. While the PTO does not want to discourage small entities from filing Federal trademark applications, and does not believe that the proposed fee increase will have that effect, the fact remains that trademark rights in the United States are based on actual use of the mark, not on Federal registration. The PTO is cognizant of, and sympathetic to, the concerns expressed in the comment.

Comment: Proposed trademark fees for filing a petition to cancel or a notice of opposition impose an unfair and burdensome penalty on businesses and individuals who wish to protect their rights. Although the base fee of \$400 may cover PTO's costs for handling the proceedings, the corresponding fee of \$400 for each additional class is not reasonable.

Response: The PTO has amended its proposed rule to indicate the fee for filing a petition to cancel or a notice of opposition will remain at \$200 and the charge will still be per class.

Comment: The current practice of charging separate fees for each "opposer" or "petitioner" should be discontinued since it is only one proceeding in the eyes of the PTO with an essential requirement that the opposing/petitioning parties have a unitary interest in the opposition/cancellation proceeding.

Response: This comment is directed at 37 CFR 2.101 and 2.111 which are not the subject of this rulemaking. The PTO will consider this comment the next time it proposes amendments to the Trademark Rules of Practice.

Comment: The proposed increase in the section 8 and 15 affidavit fees could force registrants out of the Federal system. Since section 8 and the section 15 affidavits can be filed on the same document, the fee for a combined affidavit should be less than the fees for filing the documents separately, thereby more closely relating to the cost of processing.

Response: The proposed adjustment to section 8 and 15 affidavit fees have not been adopted. Further, it has been a longstanding policy for the PTO to set the fee for a combined section 8 and 15 affidavit at double the fee for either a section 8 affidavit or a section 15 affidavit alone.

Comment: The proposed \$200 fee for filing a late renewal is an excessive penalty. The resulting \$500 cost of late renewal (\$300 renewal fee plus \$200 penalty) could cause the abandonment of registrations for marks still in use to the detriment of the registration system.

Response: In response to public comments, the fee for filing a late renewal application remains at \$100.

Comment: The proposed fee for obtaining a copy of a trademark file wrapper seems unjustified.

Response: The adopted fee amount of \$50 takes into consideration the costs incurred prior to actually copying a file, such as equipment, supplies and staff time necessary to locate and retrieve a file, as well as the copy charge and cost of certification.

Comment: One respondent asked why the PTO is proposing to change the way certification services are provided.

Response: PTO had proposed the change in the present "compare and certify" procedure in order to increase internal controls over services being provided to customers, and thereby enhance the quality of the product ultimately delivered to the customer. PTO is concerned that it have full responsibility for all phases of

the processing of certified copies. Although it is quicker and less expensive for the PTO to copy the documents and certify them than to properly compare each document to the original and then certify them, in response to public comments, particularly from patent and trademark services firms, the Office will continue to compare and certify copies made from Office records, but not prepared by PTO staff.

Comment: The proposed rule makes no provision for expedited services for copies of patent or trademark file wrappers and contents.

Response: The PTO cannot guarantee that the file will be located within the shortened period of time required for expedited service.

Comment: There does not appear to be a fee listed for a certified copy of an assignment deed, expedited or otherwise. Will this service be provided?

Response: This service will be provided under 37 CFR 1.19(b)(4). The wording of this rule has been changed to read, "For assignment records, abstract of title and certification, per patent" and covers the provision of certified and uncertified copies of assignment documents as well as certified or uncertified copies of abstracts of title. 37 CFR 2.6(b)(7) also has been changed to clarify the services provided.

Comment: Respondents questioned the basis for the proposed \$40 per hour fee for labor. One respondent asked if the \$40 per hour fee would apply while a file was being located, say, over a week's time?

Response: The purpose of this fee, which has been adopted at \$30, is to set a flat amount for special labor services for which there is no specific fee for the service the customer has requested. This flat labor fee is to complement 37 CFR 1.21(k) which reads "For items and services that the Commissioner finds may be supplied, for which fees are not specified by statute or by this part, such charges as may be determined by the Commissioner with respect to each such item or service."

Comment: Several respondents opposed the proposed reduction from 60 to 30 days for the period of time between publication of a final rule and the effective date.

Response: Subsection 5(c)(1) of H.R. 3531 establishes the requirement that the PTO must publish a final notice in the *Federal Register* and the Patent and Trademark Office *Official Gazette* at least 30 days prior to the effective date of new fee amounts, except for fees set in fiscal year 1992, which go into effect the day after they are published in the *Federal Register*.

Comment: For future publication of proposed rule changes, PTO should return to the previous format of brackets and arrows which explicitly identify language that is added to, or deleted from, the text of a rule.

Response: The PTO followed the accepted procedures of the Office of the Federal Register. In the future, PTO will follow the procedures which, in PTO's judgment, best serve to communicate the proposed changes.

Comment: With the proposed revision to the fee for purchase of coupons, will it still be possible to use the old coupons to purchase copies of patents and trademarks?

Response: Coupons purchased prior to the fee increase and new coupon issuance will continue to be accepted as a means to acquire copies of patents or trademarks. However, the redeemable value of the old coupon issue will be only \$1.50. Therefore, for each copy requested, two old coupons or one old coupon plus a \$1.50 check or money order must be tendered. Although cash payment is acceptable, checks or money orders are recommended.

Other Considerations: The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354); Executive Orders 12291 and 12612; and the Paperwork Reduc-

tion Act of 1980, 44 U.S.C. 3501, et seq. There are no information collection requirements relating to patent and trademark fee rules.

The PTO has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change would not have a significant adverse impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The principal impact of the major patent fees has already been taken into account in H.R. 3531, which provides small entities with a 50 percent reduction in the major patent fees. Further, the rule change implements the fee amounts set by sections 2(b) and 5(a)(1) of H.R. 3531.

The PTO has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy would be less than \$100 million. There would be no major increase in costs or prices for consumers; individual industries; Federal, state, or local government agencies; or geographic regions. There would be no significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble, the PTO is amending title 37 of the Code of Federal Regulations, Chapter I, as set forth below.

Part 1-Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.12 is amended by revising paragraphs (a) and (d) to read as follows:

§ 1.12 Assignment records open to public inspection.

(a) The assignment records, relating to original or reissue patents, including digests and indexes, and assignment records relating to pending or abandoned trademark applications and to trademark registrations, are open to public inspection, and copies of any instrument recorded may be obtained upon request and payment of the fee set forth in section 1.19(b)(3) and section 2.6(b)(5) of this chapter.

* * * * *

(d) An order for a copy of an assignment should give the identification of the record. If identified only by the name of the patentee and number of the patent, or in the case of a trademark registration by the name of the registrant and number of the registration, or by name of the applicant and serial number or international application number of the application, an extra charge as set forth in section 1.21(j) and section 2.6(b)(10) of this chapter will be made for the time consumed in making a search for such assignment.

3. Section 1.13 is amended by revising paragraph (b) to read as follows:

§ 1.13 Copies and certified copies.

(b) Such copies will be authenticated by the seal of the Patent and Trademark Office and certified by the Commissioner, or in his name attested by an officer of the Patent and Trademark Office authorized by the Commissioner, upon payment of the fee for requesting certified copies of Office documents.

4. Section 1.16 is revised to read as follows:

§ 1.16 National application filing fees.

(a) Basic fee for filing each application for an original patent, except design or plant cases:

By a small entity (§1.9(f)) \$345.00
By other than a small entity \$690.00

(b) In addition to the basic filing fee in a original application, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f)) \$36.00
By other than a small entity \$72.00

(c) In addition to the basic filing fee in an original application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20. (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$10.00
By other than a small entity \$20.00

(d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain, a multiple dependent claim(s) per application:

By a small entity (§ 1.9(f)) \$110.00
By other than a small entity \$220.00

(If the additional fees required by paragraphs (b), (c), and (d) of this section are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims canceled by amendment prior to the expiration of the time period set for response by the Office, in any notice of fee deficiency.)

(e) Surcharge for filing the basic filing fee or oath or declaration on a date later than the filing date of the application:

By a small entity (§ 1.9(f)) \$65.00
By other than a small entity \$130.00

(f) For filing each design application:

By a small entity (§1.9(f)) \$140.00
By other than a small entity \$280.00

(g) Basic fee for filing each plant application:
By a small entity (§ 1.9(f)) \$230.00
By other than a small entity \$460.00

(h) Basic fee for filing each reissue application:

By a small entity (§ 1.9(f)) \$345.00
By other than a small entity \$690.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity (§ 1.9(f)) \$36.00
By other than a small entity \$72.00

(j) In addition to the basic filing fee in a reissue application, for filing or later presentation of each claim (whether independent or

dependent) in excess of 20 and also in excess of the number of claims in the original patent.

(Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$10.00
By other than a small entity \$20.00

(Note: See § 1.445, 1.482 and 1.492 for international application filing and processing fees.)

5. Section 1.17 is revised to read as follows:

§ 1.17 Patent application processing fees.

(a) Extension fee for response within first month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$55.00
By other than a small entity \$110.00

(b) Extension fee for response within second month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$175.00
By other than a small entity \$350.00

(c) Extension fee for response within third month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$405.00
By other than a small entity \$810.00

(d) Extension fee for response within fourth month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$640.00
By other than a small entity \$1,280.00

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Inferences:

By a small entity (§ 1.9(f)) \$130.00
By other than a small entity \$260.00

(f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity (§ 1.9(f)) \$130.00
By other than a small entity \$260.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. 134:

By a small entity (§ 1.9(f)) \$110.00
By other than a small entity \$220.00

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$130.00 122 § 1.47 - for filing by other than all the inventors or a person not the inventor.

§ 1.48 - for correction of inventorship.
§ 1.182 - for decision on questions not specifically provided for.

§ 1.183 - to suspend the rules.
§ 1.295 - for review of refusal to publish a statutory invention registration.

§ 1.377 - for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent.

§ 1.378(e) - for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent.

§ 1.644(e) - for petition in an interference.
§ 1.644(f) - for request for reconsideration of a decision on petition in an interference.

§ 1.666(c) - for late filing of interference settlement agreement.
§§ 5.12, 5.13, & 5.14 - for expedited handling of foreign filing license.

§ 5.15 - for changing the scope of a license.

§ 5.25 - for retroactive license.

(i) (1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph

\$130.00

§1.12 - for access to an assignment record.

§1.14 - for access to an application.

§1.53 - to accord a filing date.

§1.55 - for entry of late priority papers.

§1.60 - to accord a filing date.

§1.62 - to accord a filing date.

§1.103 - to suspend action in application.

§1.177 - for divisional reissues to issue separately.

§1.312 - for amendment after payment of issue fee.

§1.313 - to withdraw an application from issue.

§1.314 - to defer issuance of a patent.

§1.334 - for patent to issue to assignee, assignment recorded late.

§1.666(b) - for access to interference settlement agreement.

(2) For filing a petition to the Commissioner under 1.102 of this part to make application special

\$130.00

(j) For filing a petition to institute a public use proceeding under §1.292

\$1,310.00

(k) For processing an application filed with a specification in a non-English language (§1.52(d))

\$130.00

(l) For filing a petition:

(1) For the revival of an unavoidable abandoned application under 35 U.S.C. sections 111, 133, 364, or 371, or

(2) For delayed payment of the issue fee under 35 U.S.C. 151:

By a small entity (§1.9(f))

\$55.00

By other than a small entity

\$110.00

(m) For filing a petition:

(1) For revival of an unintentionally abandoned application, or

(2) For the unintentionally delayed payment of the fee for issuing a patent:

By a small entity (§1.9(f))

\$565.00

By other than a small entity

\$1,130.00

(n) For requesting publication of a statutory invention registration prior to the mailing of the first examiner's action pursuant to §1.104—\$790.00 reduced by the amount of the application basic filing fee paid

(o) For requesting publication of a statutory invention registration after the mailing of the first examiner's action pursuant to §1.104—\$1,580.00 reduced by the amount of the application basic filing fee paid

6. Section 1.18 is revised to read as follows:

§1.18 Patent issue fees.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity (§1.9(f))

\$565.00

By other than a small entity

\$1,130.00

(b) Issue fee for issuing a design patent:

By a small entity (§1.9(f))

\$200.00

By other than a small entity

\$400.00

(c) Issue fee for issuing a plant patent:

By a small entity (§1.9(f))

\$285.00

By other than a small entity

\$570.00

7. Section 1.19 is revised to read as follows:

1.19 Document supply fees.

The Patent and Trademark Office will supply copies of the following documents upon payment of the fees indicated:

(a) Uncertified copies of patents:

(1) Printed copy of a patent, including a design patent, statutory invention registration, or defensive publication document, except patent or statutory invention registration containing color drawing:

(i) Regular service

\$3.00

(ii) Expedited local service

\$6.00

(iii) Expedited service for copy ordered by electronic ordering service and delivered to the customer within two work-days

\$25.00

(2) Printed copy of a plant patent in color

\$12.00

(3) Copy of a utility patent or statutory invention registration containing color drawing (see §1.84(p))

\$24.00

(b) Certified and uncertified copies of Office documents:

(1) Certified or uncertified copy of patent application as filed

(i) Regular service

\$12.00

(ii) Expedited local service

\$24.00

(2) Certified or uncertified copy of patent-related file wrapper and contents

\$150.00

(3) Certified or uncertified copies of Office records, per document except as otherwise provided in this section

\$25.00

(4) For assignment records, abstract of title and certification, per patent

\$20.00

(c) Library service (35 U.S.C. 13): For providing to libraries copies of all patents issued annually, per annum

\$50.00

(d) For list of all United States patents and statutory invention registrations in a subclass

\$3.00

(e) Uncertified statement as to status of the payment of maintenance fees due on a patent or expiration of a patent

\$10.00 573

(f) Uncertified copy of a non-United States patent document, per document

\$12.00

(g) To compare and certify copies made from Patent and Trademark Office records, but not prepared by the Patent and Trademark Office, per copy of document

\$25.00

(h) Additional filing receipts; duplicate; or corrected due to applicant error

\$20.00

8. Section 1.20 is revised to read as follows:

§1.20 Post issuance fees.

(a) For providing a certificate of correction for applicant's mistake (§1.323)

\$70.00

(b) Petition for correction of inventorship in patent (§1.324)

\$130.00

(c) For filing a request for reexamination (1.510(a))

\$2,180.00

(d) For filing each statutory disclaimer (1.320):

By a small entity (§1.9(f))

\$55.00

By other than a small entity

\$110.00

(e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond four years; the fee is due by three years and six months after the original grant

By a small entity (§1.9(f))

\$450.00

By other than a small entity

\$900.00

(f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond eight years; the fee is due by seven years and six months after the original grant

By a small entity (\$1.9(f)) \$905.00
By other than a small entity \$1,810.00

(g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond twelve years; the fee is due by eleven years and six months after the original grant

By a small entity (\$1.9(f)) \$1,365.00
By other than a small entity \$2,730.00

(h) Surcharge for paying a maintenance fee during the six-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after December 12, 1980

By a small entity (\$1.9(f)) \$65.00
By other than a small entity \$130.00

(i) Surcharge for acceptance a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable \$600.00

(j) For filing an application for extension of the term of a patent (\$1.740) \$1,000.00

9. Section 1.21 is revised to read as follows:

§1.21 Miscellaneous fees and charges.

The Patent and Trademark Office has established the following fees for the services indicated:

(a) Registration of attorneys and agents:

(1) For admission to examination for registration to practice, fee payable upon application \$290.00

(2) On registration to practice \$100.00

(3) For reinstatement to practice \$15.00

(4) For certificate of good standing as an attorney or agent \$10.00
Suitable for framing \$20.00

(5) For review of a decision of the Director of Enrollment and Discipline under §10.2(c) \$120.00

(6) For requesting regrading of an examination under §10.7(c) \$120.00

(b) Deposit accounts:

(1) For establishing a deposit account .. \$10.00

(2) Service charge for each month when the balance at the end of the month is below \$1,000 \$20.00

(3) Service charge for each month when the balance at the end of the month is below \$300 for restricted subscription deposit accounts used exclusively for subscription order of patent copies as issued \$ 20.00

(c) Disclosure document: For filing a disclosure document \$10.00

(d) Delivery box: Local delivery box rental, per annum \$50.00

(e) International type search reports: For preparing an international type search report of an international type search made at the time of the first action on the merits in a national patent application \$35.00

(f) [Reserved]

(g) Self-service copy charge, per page ... \$0.25

(h) For recording each assignment, agreement or other paper relating to the property in a patent or application, per property \$40.00

(i) Publication in Official Gazette: For publication in the Official Gazette of a notice of the availability of an application or a patent for licensing or sale, each application or patent \$20.00

(j) Labor charges for services, per hour or fraction thereof \$30.00

(k) For items and services that the Commissioner finds may be supplied, for which fees are not specified by statute or by this part, such charges as may be determined by the Commissioner with respect to each such item or service Actual Cost

(l) For processing and retaining any application abandoned pursuant to section 1.53(d) unless the required basic filing fee has been paid \$130.00

(m) For processing each check returned "unpaid" by a bank \$50.00

(n) For handling an incomplete or improper application under §1.53(c), \$1.60 or \$1.62 \$130.00

(o) Marginal cost, paid in advance, for each hour of terminal serion time, including print time, using Automated Patent System full-text search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to the Automated Patent System full-text search capability (APS-Text) upon a showing of need or hardship, and if such waiver is in the public interest \$40.00

10. Section 1.24 is revised to read as follows:

§1.24 Coupons.

Coupons in denominations of three dollars, for the purchase of patents, designs, defensive publications, statutory invention registrations, and trademark registrations are sold by the Patent and Trademark Office for the convenience of the general public; these coupons may not be used for any other purpose. The three-dollar coupons are sold individually and in books of 50 for \$150.00. These coupons are good until used; they may be transferred but cannot be redeemed

11. Section 1.26 is amended by revising paragraph (c) to read as follows:

§1.26 Refunds.

* * * * *

(c) If the Commissioner decides not to institute a reexamination proceeding, a refund of \$1,635 will be made to the requester of the proceeding. Reexamination requesters should indicate whether any refund should be made by check or by credit to a deposit account.

12. Section 1.171 is revised to read as follows:

§1.171 Application for reissue.

An application for reissue must contain the same parts required for an application for an original patent, complying with all the rules relating thereto except as otherwise provided, and, in addition, must comply with the requirements of the rules relating to reissue applications. The application must be accompanied by a certified copy of an abstract of title or an order for a title report accompanied by the fee set forth in 1.19(b)(4) to be placed in the file, and by an offer to surrender to original patent (1.178).

13. Section 1.296 is revised to read as follows:

§1.296 Withdrawal of request for publication of statutory invention registration.

A request for a statutory invention registration, which has been filed, may be withdrawn prior to the date of the notice of the intent to publish a statutory invention registration issue pursuant to §1.294(c) by filing a request to withdraw the request for publication of a statutory invention registration. The request to withdraw may also include a request for a refund of any amount paid in excess of the application filing fee and a handling fee of \$130.00 which will be retained. Any request to withdraw the request for publication of a statutory invention registration filed on or after the date of the notice of intent to publish issued pursuant to §1.294(c) must be in the form of a petition pursuant to §1.183 accompanied by the fee set forth in 1.17(h).

14. Section 1.62 is amended by revising paragraphs (a), (b) and (e) to read as follows:

§1.362 Time for payment of maintenance fees.

(a) Maintenance fees as set forth in §1.20(e) through (g) are required to be paid in all patents based on applications filed on or after December 12, 1980, except as noted in paragraph (b) of this section, to maintain a patent in force beyond 4, 8 and 12 years after the date of grant.

(b) Maintenance fees are not required for any plant patents or for any design patents. Maintenance fees are not required for a reissue patent if the patent being reissued did not require maintenance fees.

(e) Maintenance fees may be paid with the surcharge set forth in 1.20(h) during the respective grace periods after:

(1) 3 years through 3 years and 6 months after grant for the first maintenance fee,

(2) 7 years through 7 years and 6 months after grant for the second maintenance fee, and

(3) 11 years and 11 years and 6 months after grant for the third maintenance fee.

15. Section 1.378 is amended by revising paragraphs (a), (b), (c)(1) and (2), and (e) to read as follows:

§1.378 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.

(a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable and if the surcharge required by 1.20(i) is paid as a condition of accepting payment of the maintenance fee. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not have expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

(b) Any petition to accept the delayed payment of a maintenance fee filed under paragraph (a) of this section within six months of the expiration of the patent must include:

(1) The required maintenance fee set forth in 1.20(e)-(g);

(2) The surcharge set forth in 1.20(i); and

(3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee.

(c) Any petition to accept the delayed payment of a maintenance fee filed under paragraph (a) of this section more than six months after the expiration of the patent must include:

(1) The required maintenance fee set forth in §1.20(e)-(g),

(2) The surcharge set forth in §1.20(i); and

(e) Reconsideration of a decision refusing to accept a maintenance fee upon petition filed pursuant to paragraph (a) of this

section may be obtained by filing a petition for reconsideration within two months of, or such other time as set in, the decision refusing to accept the delayed payment of the maintenance fee. Any such petition for reconsideration must be accompanied by the petition fee set forth in §1.17(h). After decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner. If the delayed payment of the maintenance fee is not accepted, the maintenance fee and the surcharge set forth in §1.20(i) will be refunded following the decision on the petition for reconsideration, or after the expiration of the time for filing such a petition for reconsideration, if none is filed. The fee set forth in §1.17(h) for filing the petition for reconsideration will not be refunded unless the refusal to accept and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

16. Section 1.445 is amended by revising paragraph (a) to read as follows:

§1.445 International application filing, processing and search fees.

(a) The following fees and charges for international applications are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A transmittal fee (see 35 U.S.C. 361(d) and PCT Rule 14) \$190.00

(2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

(i) No corresponding prior United States national application with basic filing fee has been filed \$600.00

(ii) A corresponding prior United States national application with basic filing fee has been filed \$400.00

(3) A supplemental search fee when required, per additional invention \$160.00

17. Section 1.482 is amended by revising paragraph (a) to read as follows:

§1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A preliminary examination fee is due on filing the Demand:

(i) Where an international search fee as set forth in §1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, a preliminary examination fee of \$440.00

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, a preliminary examination fee of \$650.00

(2) An additional preliminary examination fee when required, per additional invention:

(i) Where a supplemental search fee as set forth in 1.445(a)(3) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority \$140.00

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office \$220.00

18. Section 1.492 is revised to read as follows:

§1.492 National state fees.

The following fees and charges for international applications entering the national stage under 35 U.S.C. 371 are established by the Commissioner under 35 U.S.C. 376:

(a) The basic national fee:

(1) Where an international preliminary examination fee as set forth in 1.482 has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (\$1.9(f)) \$310.00
By other than a small entity \$620.00

(2) Where no international preliminary examination fee as set forth in §1.482 has been paid to the United States Patent and Trademark Office, but an international search fee as set forth in §1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority:

By a small entity (\$1.9(f)) \$345.00
By other than a small entity \$690.00

(3) Where no international preliminary examination fee as set forth in §1.482 has been paid and no international search fee as set forth in §1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (\$1.9(f)) \$460.00
By other than a small entity \$920.00

(4) Where the international preliminary examination fee as set forth in §1.482 has been paid to the United States Patent and Trademark Office and the international preliminary examination report states that the criteria of novelty, inventive step (non-obviousness), and industrial applicability, as defined in PCT Article 33 (1) to (4) have been satisfied for all the claims presented in the application entering the national stage (see §1.496(b)):

By a small entity (\$1.9(f)) \$45.00
By other than a small entity \$90.00

(5) Where a search report on the international application has been prepared by the European Patent Office or the Japanese Patent Office:

By a small entity (\$1.9(f)) \$400.00
By other than a small entity \$800.00

(b) In addition to the basic national fee, for filing or later presentation of each independent claim in excess of 3:

By a small entity (\$1.9(f)) \$36.00
By other than a small entity \$72.00

(c) In addition to the basic national fee, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 (Note that §1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes.):

By a small entity (\$1.9(f)) \$10.00
By other than a small entity \$20.00

(d) In addition to the basic national fee, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity (\$1.9(f)) \$110.00
By other than a small entity \$220.00

(If the additional fees required by paragraphs (b), (c), and (d) are not paid on presentation of the claims for which the additional fees are due, they must be paid or the claims cancelled by amendment prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(e) Surcharge for filing the basic national fee or oath or declaration later than 20 months from the priority date pursuant to §1.494(c) or later than 30 months from the priority date pursuant to §1.495(c):

By a small entity (\$1.9(f)) \$65.00
By other than a small entity \$130.00

(f) For filing an English translation of an international application later than 20 months after the priority date (§1.494(c)) or filing an English translation of the international application or of any annexes to the international preliminary examination report later than 30 months after the priority date (§1.495(c) and (e)) \$130.00

19. Section 1.740 is amended by revising paragraph (a)(14) to read as follows:

§1.740 Application for extension of patent term.

(a) * * * * *

(14) The prescribed fee for receiving and acting upon the application for extension (see §1.20(j)).

* * * * *

20. Section 1.770 is revised to read as follows:

§1.770 Express withdrawal of application for extension of patent term.

An application for extension of patent term may be expressly withdrawn before a determination is made pursuant to 1.750 by filing in the Office, in duplicate, a written declaration of withdrawal signed by the owner of record of the patent or its agent. An application may not be expressly withdrawn after the date permitted for response to the final determination on the application. An express withdrawal pursuant to this section is effective when acknowledged in writing by the Office. The filing of an express withdrawal pursuant to this section and its acceptance by the Office does not entitle applicant to a refund of the filing fee (§1.20(j)) or any portion thereof.

Part 2 - Rules of Practice in Trademark Cases

1. The authority citation for Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is revised to read as follows:

§2.6 Trademark fees.

The following fees and charges are established by the Patent and Trademark Office for trademark cases:

(a) Trademark process fees.

(1) For filing an application, per class \$200.00

(2) For filing an amendment to allege use under section 1(c) of the Act, per class \$100.00

(3) For filing a statement of use under section 1(d)(1) of the Act, per class \$100.00

(4) For filing a request under section 1(d)(2) of the Act for a six-month extension of time for filing a statement of use under section 1(d)(1) of the Act, per class \$100.00

(5) For filing an application for renewal of a registration, per class \$300.00

(6) Additional fee for filing a renewal application made within three months after the expiration of the registration, per class \$100.00

(7) For filing to publish a mark under section 12(c), per class \$100.00

(8) For issuing a new certification of registration upon request of assignee \$100.00

(9) For a certificate of correction of registrant's error \$100.00

- (10) For filing a disclaimer to a registration \$100.00
- (11) For filing an amendment to a registration \$100.00
- (12) For filing an affidavit under §8 of the Act, per class \$100.00
- (13) For filing an affidavit under §15 of the Act, per class \$100.00
- (14) For filing a combined affidavit under §§ 8 and 15 of the Act, per class \$200.00
- (15) For petitions to the Commissioner.. \$100.00
- (16) For filing a petition to cancel, per class \$200.00
- (17) For filing a notice of opposition, per class ... \$200.00
- (18) For ex parte appeal to the Trademark Trial and Appeal Board, per class \$100.00
- (b) Trademark service fees.
- (1) For printed copy of registered mark, copy only
- (i) Regular service \$3.00
- (ii) Expedited local service \$6.00
- (iii) Expedited service for copy ordered by electronic ordering service and delivered to the customer within two work days \$25.00
- (2) Certified or uncertified copy of trademark application as filed:
- (i) Regular service \$12.00
- (ii) Expedited local service \$24.00
- (3) Certified or uncertified copy of a trademark-related file wrapper and contents \$50.00
- (4) Certified copy of a registered mark, showing title and/or status:
- (i) Regular service \$10.00
- (ii) Expedited local service \$20.00
- (5) Certified or uncertified copy of trademark records, per document except as otherwise provided in this section \$25.00
- (6) For recording each trademark assignment, agreement or other paper relating to the property in a registration or application
- (i) First property in a document \$40.00
- (ii) For each additional property in the same document \$25.00

(7) For assignment records, abstract of title and certification, per registration \$20.00

(8) Marginal cost, paid in advance, for each hour of terminal session time, including print time, using T-Search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to T-Search upon a showing of need or hardship, and if such waiver is in the public interest \$40.00

(9) Self-service copy charge, per page ... \$0.25

(10) Labor charge for services, per hour or fraction thereof \$30.00

(11) For items and services that the Commissioner finds may be supplied, for which fees are not specified by statute or by this part, such charges as may be determined by the Commissioner with respect to each such item or service Actual Cost

Dec. 10, 1991

Harry F. Manbeck, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

NOTE - The following appendix will not appear in the Code of Federal Regulations

APPENDIX A Patent Cooperation Treaty Update

The International Bureau of the World Intellectual Property Organization has informed the U.S. Patent and Trademark Office that, due to a decision of the Assembly of the PCT Union taken during its meeting from 23 September 1991 to 02 October 1991, the amount of the international fees for international applications will increase, effective 01 January 1992.

Effective 01 January 1992, the amount of the international fees for international applications filed in the United States Receiving Office will be:

Basic fee (first 30 pages)	\$525.00
Basic Supplemental fee (for each page over 30).....	\$10.00
Designation fee (per country or region up to 10) ...	\$127.00
Handling fee	\$161.00

The fees charged by the U.S. Patent and Trademark Office, including PCT fees other than those listed above, are adjusted on December 16, 1991 except for fees set under 37 CFR 1.445(a) and 1.482(a) which will be effective on December 27, 1991. (Refer to Appendix B for specific effective dates).

Patent Cooperation Treaty (PCT) Information

For information concerning PCT member countries, see the notice appearing in the *Official Gazette* at 1126 O.G. 2, on May 7, 1991.

For use of the European Patent Office as an International Searching Authority for international applications filed in the United States Receiving Office, see the notice appearing in the *Official Gazette* at 1022 O.G. 52, on Sept. 28, 1982.

For use of the European Patent Office as an International Preliminary Examining Authority for international applications filed in the United States Receiving Office, see the notices appearing in the *Official Gazette* at 1080 O.G. 2, on July 7, 1987, and at 1091 O.G. 2, on June 7, 1988. There is no longer a limit on the number of such international applications accepted for international preliminary examination by the European Patent Office; see the notice appearing at 1116 O.G. 32, on July 17, 1990.

The search fee of the European Patent Office was changed on July 1, 1991, due to a difference in the exchange rate of the U.S. dollar in relation to the German mark, and was announced in the *Official Gazette* at 1126 O.G. 76, on May 28, 1991.

International fees will be changed on Jan. 1, 1992, due to a decision of the Assembly of the PCT Union taken during its meeting from 23 September 1991 to 02 October 1991, as described below under "International fees."

Certain domestic PCT fees and charges for International Search and Preliminary Examination have been changed effective [insert one day after publication in the Federal Register], as described below under "U.S. National Stage fees."

The current schedule of PCT fees (in U.S. dollars) is as follows:

	Effective Date	
Transmittal fee	\$190.00	*
Search Fee		
U.S. Patent and Trademark Office (USPTO) as International Searching Authority (ISA) - No corresponding prior U.S. national application filed	\$600.00	12/27/91
- Corresponding prior U.S. national application filed	\$400.00	12/27/91
- Supplemental search fee, per additional invention	\$160.00	12/27/91
- European Patent Office as ISA	\$1320.00	8/1/91
Preliminary examination fee		
USPTO as International Preliminary Examining Authority (IPEA)		

- Search fee paid to USPTO as ISA	\$440.00	12/27/91
- Additional examination fee, per additional invention	\$140.00	12/27/91
- ISA not the USPTO	\$650.00	12/27/91
- Additional examination fee, per additional invention	\$220.00	12/27/91
International fees		
Basic fee	\$525.00	1/1/92
Basic Supplemental fee (for each page over 30)	\$10.00	1/1/92
Designation fee per country or region for the first 10 national or regional offices ..	\$127.00	1/1/92
Designation fee for the 11th and subsequent designations	No Charge	1/1/92
Handling fee	\$161.00	1/1/92

U.S. national Stage fees	Small Entity	Regular	Effective Date
USPTO was IPEA	\$310.00	\$620.00	*
USPTO was ISA but not IPEA	\$345.00	\$690.00	*
USPTO was neither ISA nor IPEA	\$460.00	\$920.00	*
USPTO was IPEA and all claims presented satisfied provisions of PCT Article 33(2) to (4)	\$45.00	\$90.00	*
- For each independent claim in excess of 3	\$36.00	\$72.00	*
- For each claim in excess of 20 ..	\$10.00	\$20.00	*
- For each application containing a multiple dependent claim ...	\$110.00	\$220.00	*
- Surcharge for filing national fee or oath or declaration after the time limit applicable under PCT Article 22 or 39(1)	\$65.00	\$130.00	*
- Processing fee for filing English translation after the time limit applicable under PCT Article 22 or 39(1)	\$130.00	\$130.00	*
- For filing with EPO/JPO search report	\$400.00	\$800.00	*

*The effective date is December 16, 1991.

Comparison of Existing and Final Fee Amounts

37 CFR Section			FEE AMOUNT		
Final	Existing	DESCRIPTION	Apr. 17 1989	Nov. 5 1990	December 1991
1.16(a)	1.16(a)	Basic Filing Fee	\$370	\$630	\$690
1.16(a)	1.16(a)	Basic Filing Fee (Small Entity)	\$185	\$315	\$345
1.16(b)	1.16(b)	Independent Claims	\$36	\$60	\$72
1.16(b)	1.16(b)	Independent Claims (Small Entity)	\$18	\$30	\$36
1.16(c)	1.16(c)	Claims in Excess of 20	\$12	\$20	\$20
1.16(c)	1.16(c)	Claims in Excess of 20 (Small Entity)	\$6	\$10	\$10
1.16(d)	1.16(d)	Multiple Dependent Claims	\$120	\$200	\$220
1.16(d)	1.16(d)	Multiple Dependent Claims (Small Entity)	\$60	\$100	\$110
1.16(e)	1.16(e)	Surcharge - Late Filing Fee	\$120	—	\$130
1.16(e)	1.16(e)	Surcharge - Late Filing Fee (Small Entity)	\$60	—	\$65
1.16(f)	1.16(f)	Design Filing Fee	\$150	\$250	\$280
1.16(f)	1.16(f)	Design Filing Fee (Small Entity)	\$75	\$125	\$140
1.16(g)	1.16(g)	Plant Filing Fee	\$250	\$420	\$460
1.16(g)	1.16(g)	Plant Filing Fee (Small Entity)	\$125	\$210	\$230
1.16(h)	1.16(h)	Reissue Filing Fee	\$370	\$630	\$690
1.16(h)	1.16(h)	Reissue Filing Fee (Small Entity)	\$185	\$315	\$345
1.16(i)	1.16(i)	Reissue Independent Claims	\$36	\$60	\$72
1.16(i)	1.16(i)	Reissue Independent Claims (Small Entity)	\$18	\$30	\$36
1.16(j)	1.16(j)	Reissue Claims in Excess of 20	\$12	\$20	\$20
1.16(j)	1.16(j)	Reissue Claims in Excess of 20 (Small Entity)	\$6	\$10	\$10
1.17(a)	1.17(a)	Extension - First Month	\$62	\$100	\$110
1.17(a)	1.17(a)	Extension - First Month (Small Entity)	\$31	\$50	\$55
1.17(b)	1.17(b)	Extension - Second Month	\$180	\$300	\$350
1.17(b)	1.17(b)	Extension - Second Month (Small Entity)	\$90	\$150	\$175
1.17(c)	1.17(c)	Extension - Third Month	\$430	\$730	\$810
1.17(c)	1.17(c)	Extension - Third Month (Small Entity)	\$215	\$365	\$405
1.17(d)	1.17(d)	Extension - Fourth Month	\$680	\$1,150	\$1,280
1.17(d)	1.17(d)	Extension - Fourth Month (Small Entity)	\$340	\$575	\$640
1.17(e)	1.17(e)	Notice of Appeal	\$140	\$240	\$260
1.17(e)	1.17(e)	Notice of Appeal (Small Entity)	\$70	\$120	\$130
1.17(f)	1.17(f)	Filing a Brief	\$140	\$240	\$260
1.17(f)	1.17(f)	Filing a Brief (Small Entity)	\$70	\$120	\$130
1.17(g)	1.17(g)	Request for Oral Hearing	\$120	\$200	\$220
1.17(g)	1.17(g)	Request for Oral Hearing (Small Entity)	\$60	\$100	\$110
1.17(h)	1.17(h)	Petition - Not All Inventors	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Correction of Inventorship	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Decision on Questions	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Suspend Rules	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Expedited License	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Scope of License	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Retroactive License	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Refusing Maintenance Fee	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Refusing Maintenance Fee - Expired Patent	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Interference	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Reconsider Interference	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Late Filing of Interference	\$120	—	\$130
1.17(h)	1.17(h)	Petition - Refusal to Publish SIR	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - For Assignment	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - For Application	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Late Priority Papers	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Suspend Action	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Devisional Reissues to Issue Separately	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - For Interference Agreement	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Amendment After Issue	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Withdrawal After Issue	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Defer Issue	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Issue to Assignee	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Accord a Filing Date Under § 1.53	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Accord a Filing Date Under § 1.60	\$120	—	\$130
1.17(i)(1)	1.17(i)(1)	Petition - Accord a Filing Date Under § 1.62	\$120	—	\$130
1.17(i)(2)	1.17(i)(2)	Petition - Make Application Special	\$80	—	\$130
1.17(j)	1.17(j)	Petition - Public Use Proceeding	\$1,200	—	\$1,310
1.17(k)	1.17(k)	Non-English Specification	\$30	—	\$130
1.17(l)	1.17(l)	Petition - Revive Abandoned Appl.	\$62	\$100	\$110
1.17(l)	1.17(l)	Petition - Revive Abandoned Appl. (Small Entity)	\$31	\$50	\$55
1.17(m)	1.17(m)	Petition - Revive Unintentionally Abandoned Appl.	\$620	\$1,050	\$1,130
1.17(m)	1.17(m)	Petition - Revive Unintentionally Abandoned Appl. (Small Entity)	\$310	\$525	\$565

Comparison of Existing and Final Fee Amounts

37 CFR Section			FEE AMOUNT		
Final	Existing	DESCRIPTION	Apr. 17 1989	Nov. 5 1990	December 1991
1.17(n)	1.17(n)	SIR - Prior to Examiner's Action	\$400	—	\$790
1.17(o)	1.17(o)	SIR - After Examiner's Action	\$800	—	\$1,580
1.18(a)	1.18(a)	Issue Fee	\$620	\$1,050	\$1,130
1.18(a)	1.18(a)	Issue Fee (Small Entity)	\$310	\$525	\$565
1.18(b)	1.18(b)	Design Issue Fee	\$220	\$370	\$400
1.18(b)	1.18(b)	Design Issue Fee (Small Entity)	\$110	\$185	\$200
1.18(c)	1.18(c)	Plant Issue Fee	\$310	\$520	\$570
1.18(c)	1.18(c)	Plant Issue Fee (Small Entity)	\$155	\$260	\$285
1.19(a)(1)(i)	1.19(a)(1)	Copy of Patent	\$1.50	—	\$3
1.19(a)(1)(ii)	1.19(a)(5)	Patent Copy - Expedited Local Service	\$3	—	\$6
1.19(a)(1)(iii)	1.19(a)(6)	Patent Copy Ordered Via EOS - Expedited Service	\$25	—	\$25
1.19(a)(2)	1.19(a)(2)	Plant Patent Copy	\$10	—	\$12
1.19(a)(3)(i)	1.19(a)(4)	Copy of Utility Patent or SIR in Color	\$20	—	\$24
1.19(b)(1)(i)	1.19(b)(1)	Certified Copy of Patent Application as Filed	\$10	—	\$12
1.19(b)(1)(i)	1.19(b)(4)	Certified Copy of Patent Application as Filed, Expedited	\$20	—	\$24
1.19(b)(2)	1.19(b)(2)	Cert or Uncert Copy of Patent-Related File			
		Wrapper/Contents	\$170	—	\$150
1.19(b)(3)	1.19(b)(5)	Cert or Uncert. Copies of Office Records, per Document	\$3	—	\$25
1.19(b)(4)	1.19(b)(6)	For Assignment Records, Abstract of Title and			
		Certification	\$15	—	\$20
1.19(c)	1.19(c)	Library Service	\$50	—	\$50
1.19(d)	1.19(d)	List of Patents in Subclass	\$2	—	\$3
1.19(e)	1.19(e)	Uncertified Statement - Status of Maintenance Fee			
		Payment	\$5	—	\$10
1.19(f)	1.19(f)	Copy of Non-U.S. Patent Document	\$10	—	\$12
1.19(g)	1.19(g)	Comparing and Certifying Copies, Per Document,			
		Per Copy	\$10	—	\$25
1.19(h)	1.19(h)	Duplicate or Corrected Filing Receipt	\$15	—	\$20
1.20(a)	1.20(a)	Certificate of Correction	\$60	—	\$70
1.20(b)	1.20(b)	Petition - Correction of Inventorship	\$120	—	\$130
1.20(c)	1.20(c)	Reexamination	\$2,000	—	\$2,180
1.20(d)	1.20(d)	Statutory Disclaimer	\$62	\$100	\$110
1.20(d)	1.20(d)	Statutory Disclaimer (Small Entity)	\$31	\$50	\$55
1.20(e)		Maintenance Fee - 3.5 Years	*	*	\$900
1.20(e)		Maintenance Fee - 3.5 Years (Small Entity)		*	\$450
1.20(f)		Maintenance Fee - 7.5 Years		*	\$1,810
1.20(f)		Maintenance Fee - 7.5 Years (Small Entity)		*	\$905
1.20(g)		Maintenance Fee - 11.5 Years		*	\$2,730
1.20(g)		Maintenance Fee - 11.5 Years (Small Entity)		*	\$1,365
1.20(h)		Surcharge - Maintenance Fee - 6 Months	**	—	\$130
1.20(h)		Surcharge - Maintenance Fee - 6 Months (Small Entity)	**	—	\$65
1.20(i)	1.20(m)	Surcharge - Maintenance After Expiration	\$550	—	\$600
1.20(j)	1.20(n)	Extension of Term of Patent	\$600	—	\$1,000
1.21(a)(1)	1.21(a)(1)	Admission to Examination	\$270	—	\$290
1.21(a)(2)	1.21(a)(2)	Registration to Practice	\$90	—	\$100
1.21(a)(3)	1.21(a)(3)	Reinstatement to Practice	\$10	—	\$15
1.21(a)(4)	1.21(a)(4)	Certificate of Good Standing	\$10	—	\$10
1.21(a)(4)	1.21(a)(4)	Certificate of Good Standing, Suitable Framing	\$100	—	\$20
1.21(a)(5)	1.21(a)(5)	Review of Decision of Director, OED	\$100	—	\$120
1.21(a)(6)	1.21(a)(6)	Regrading of Examination	\$100	—	\$120
1.21(b)(1)	1.21(b)(1)	Establish Deposit Account	\$10	—	\$10
1.21(b)(2)	1.21(b)(2)	Service Charge Below Minimum Balance	\$20	—	\$20
1.21(b)(3)	1.21(b)(3)	Service Charge Below Minimum Balance	\$20	—	\$20
1.21(c)	1.21(c)	Filing a Disclosure Document	\$6	—	\$10
1.21(d)	1.21(d)	Box Rental	\$50	—	\$50
1.21(e)	1.21(e)	International Type Search Report	\$30	—	\$35
1.21(g)		Self-Service Copy Charge	\$0.15	—	\$0.25
1.21(h)	1.21(h)	Recording Patent Property	\$8	—	\$40
1.21(i)	1.21(i)	Publication in the OG	\$20	—	\$20
1.21(j)		Labor Charges for Services	—	—	\$30
1.21(k)	1.21(k)	Unspecified Other Services	Actual	—	Actual
		Cost			Cost
1.21(l)	1.21(l)	Retaining Abandoned Application	\$120	—	\$130
1.21(m)	1.21(m)	Processing Returned Checks	\$50	—	\$50
1.21(n)	1.21(n)	Handling Fee - Incomplete Application	\$20	—	\$130
1.21(o)	1.21(o)	Terminal Use APS-TEXT	\$40	—	\$40
1.24	1.24	Coupons for Patent Copies	\$1.50	—	\$3

Comparison of Existing and Final Fee Amounts

37 CFR Section		DESCRIPTION	FEE AMOUNT		
Final	Existing		Apr. 17 1989	Nov. 5 1990	December 1991
1.296	1.296	Handling Fee - Withdrawal SIR	\$120	—	\$130
1.445(a)(1)	1.445(a)(1)	Transmittal Fee	\$170	—	\$190
1.445(a)(2)(i)	1.445(a)(2)	PCT Search Fee - No U.S. Application	\$550	—	\$600
1.445(a)(2)(ii)	1.445(a)(2)	PCT Search Fee - Prior U.S. Application	\$380	—	\$400
1.445(a)(3)	1.445(a)(3)	Supplemental Search	\$150	—	\$160
1.482(a)(1)(i)	1.482(a)(1)	Preliminary Exam Fee	\$400	—	\$440
1.482(a)(1)(ii)	1.482(a)(1)	Preliminary Exam Fee	\$600	—	\$650
1.482(a)(2)(i)	1.482(a)(2)	Additional Invention	\$130	—	\$140
1.482(a)(2)(ii)	1.482(a)(2)	Additional Invention	\$200	—	\$220
1.492(a)(1)	1.492(a)(1)	Preliminary Examining Authority	\$330	—	\$620
1.492(a)(1)	1.492(a)(1)	Preliminary Examining Authority (Small Entity)	\$165	—	\$310
1.492(a)(2)	1.492(a)(2)	Searching Authority	\$370	—	\$690
1.492(a)(2)	1.492(a)(2)	Searching Authority (Small Entity)	\$185	—	\$345
1.492(a)(3)	1.492(a)(3)	PTO Not ISA nor IPEA	\$500	—	\$920
1.492(a)(3)	1.492(a)(3)	PTO Not ISA nor IPEA (Small Entity)	\$250	—	\$460
1.492(a)(4)	1.492(a)(4)	Claims - IPEA	\$50	—	\$90
1.492(a)(4)	1.492(a)(4)	Claims - IPEA (Small Entity)	\$25	—	\$45
1.492(a)(5)		Filing with EPO/JPO Search Report	—	—	\$800
1.492(a)(5)		Filing with EPO/JPO Search Report (Small Entity)	—	—	\$400
1.492(b)	1.492(b)	Claims - Extra Individual (Over 3)	\$36	—	\$72
1.492(b)	1.492(b)	Claims - Extra Individual (Over 3) (Small Entity)	\$18	—	\$36
1.492(c)	1.492(c)	Claims - Extra Total (Over 20)	\$12	—	\$20
1.492(c)	1.492(c)	Claims - Extra Total (Over 20) (Small Entity)	\$6	—	\$10
1.492(d)	1.492(d)	Claims - Multiple Dependents	\$120	—	\$220
1.492(d)	1.492(d)	Claims - Multiple Dependents (Small Entity)	\$60	—	\$110
1.492(e)	1.492(e)	Surcharge	\$120	—	\$130
1.492(e)	1.492(e)	Surcharge (Small Entity)	\$60	—	\$65
1.492(f)	1.492(f)	English Translation - After 20 Months	\$30	—	\$130
2.6(a)(1)	2.6(a)	Application for Registration, Per Class	\$175	—	\$200
2.6(a)(2)	2.6(u)	Amendment to Allege Use, Per Class	\$100	—	\$100
2.6(a)(3)	2.6(u)	Statement of Use, Per Class	\$100	—	\$100
2.6(a)(4)	2.6(v)	Extension for Filing Statement of Use, Per Class	\$100	—	\$100
2.6(a)(5)	2.6(b)	Application for Renewal, Per Class	\$300	—	\$300
2.6(a)(6)	2.6(s)	Surcharge for Late Renewal, Per Class	\$100	—	\$100
2.6(a)(7)	2.6(c)	Publication of Mark Under §12(c), Per Class	\$100	—	\$100
2.6(a)(8)	2.6(d)	Issuing New Certificate of Registration	\$100	—	\$100
2.6(a)(9)	2.6(e)	Certificate of Correction of Registrant's Error	\$100	—	\$100
2.6(a)(10)	2.6(f)	Filing Disclaimer to Registration	\$100	—	\$100
2.6(a)(11)	2.6(g)	Filing Amendment to Registration	\$100	—	\$100
2.6(a)(12)	2.6(h)	Filing Affidavit Under Section 8, Per Class	\$100	—	\$100
2.6(a)(13)	2.6(i)	Filing Affidavit Under Section 15, Per Class	\$100	—	\$100
2.6(a)(14)	2.6(j)	Filing Affidavit Under Section 8 & 15, Per Class	\$200	—	\$200
2.6(a)(15)	2.6(k)	Petitions to the Commissioner	\$100	—	\$100
2.6(a)(16)	2.6(l)	Petition to Cancel, Per Class	\$200	—	\$200
2.6(a)(17)	2.6(l)	Notice of Opposition, Per Class	\$200	—	\$200
2.6(a)(18)	2.6(m)	Ex Parte Appeal to the TTAB, Per Class	\$100	—	\$100
2.6(b)(1)(i)	2.6(n)	Copy of Registered Mark	\$1.50	—	\$3
2.6(b)(1)(ii)		Copy of Registered Mark, Expedited	\$1.50	—	\$6
2.6(b)(1)(iii)		Copy of Registered Mark Ordered Via EOS, Expedited	—	—	\$25
		Svc.	—	—	\$12
2.6(b)(2)(i)		Certified Copy of TM Application as Filed	—	—	\$24
2.6(b)(2)(ii)		Certified Copy of TM Application as Filed, Expedited	—	—	\$24
2.6(b)(3)		Cert. or Uncert. Copy of TM-Related File	—	—	\$50
		Wrapper/Contents	—	—	\$10
2.6(b)(4)(i)	2.6(n)	Cert. Copy of Registered Mark, Title or Status	\$6.50	—	\$20
2.6(b)(4)(ii)		Cert. Copy of Registered Mark, Title or Status - Expedited	\$6.50	—	\$25
2.6(b)(5)	2.6(o)	Certified or Uncertified Copy of TM Records	\$3.50	—	\$40
2.6(b)(6)	2.6(q)	Recording Trademark Property, Per Mark, Per Document	\$8	—	\$25
2.6(b)(6)		For Second and Subsequent Marks in Same Document	—	—	\$20
2.6(b)(7)	2.6(r)	For Assignment Records, Abstracts of Title and	—	—	\$40
		Certification	\$12	-	\$40
2.6(b)(8)	2.6(w)	Terminal Use T-SEARCH	\$40	—	\$0.25
2.6(b)(9)		Self-Service Copy Charge	—	—	\$30
2.6(b)(10)		Labor Charges for Services	—	—	Actual
2.6(b)(11)	2.6(t)	Unspecified Other Services	Actual	—	Cost

Comparison of Existing and Final Fee Amounts

37 CFR Section			FEE AMOUNT		
			Apr. 17	Nov. 5	December
Final	Existing	DESCRIPTION	1989	1990	1991
1.19(g)		Comparing and Certifying Copies, per Document, per Copy	—	—	\$25
1.24		Trademark Coupons	\$1.50	—	\$3

NOTE:

The November 5, 1990, column applies only to certain fee amounts. Dashes indicate no change to the April 1989 fee amounts on November 5, 1990.

*Revised small and large entity maintenance fees are applicable to all applications filed on or after December 12, 1980. H.R. 3531 combine maintenance fees established under Pub. L. 96-517 with maintenance fees under PL 97-247. Only maintenance fees set under Pub. L. 97-247 were affected by November 5, 1990 surcharge.

**Combines surcharge for payment of maintenance fees during the 6-month grace period under Pub. L. 96-517 and surcharge set under Pub. L.

+Effective December 27, 1991

(52) **DEPARTMENT OF COMMERCE**
Billing Code: 3510-16M

Patent and Trademark Office
37 CFR Parts 1 and 2

[Docket No. 920401-2194]
RIN 0651-AA54

Revision of Patent and Trademark Fees

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of title 37, Code of Federal Regulations, to adjust certain patent and trademark fee amounts to reflect fluctuations in the Consumer Price Index (CPI) and to recover costs of operation. The PTO is also establishing fees for providing public access to APS-Text in Patent and Trademark Depository Libraries (PTDLs), and for dividing a trademark application. In response to comments received from the Libraries in which they expressed their concerns about the administrative burdens of collecting fees from the public for use of APS-Test, the Commissioner is immediately suspending collection of that fee to provide additional time for the PTO to solicit input from the private sector on alternative collection methods, and other options for accessing patent search and retrieval in the Libraries.

Dates: Effective Date: October 1, 1992. Rule 1.21(p) will take effect on October 1, 1992 but will immediately be suspended by the Commissioner.

Comment Date: The PTO will accept comments on alternative collection methods, and other options for accessing patent search and retrieval in the PTDLs (37 CFR 1.21(p)) until January 4, 1993. The Office will provide written notice in the Federal Register and the Official Gazette of the United States Patent and Trademark Office thirty days before starting to collect fees for accessing APS-Text in the PTDLs.

Addresses: Address written comments to the Commissioner of Patents and Trademarks, Washington, D.C. 20231, Attention: Frances Michalkewicz, Suite 507, Crystal Park 1, or by FAX to (703) 305-8436.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 305-8510 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed to adjust the Patent and Trademark Office fees in accordance with the applicable provisions of title 35, United States Code, section 31 of the Trademark (Lanham) Act of 1946 (15 U.S.C. 1113), and section 10101 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508), all as amended by the Patent and Trademark Office Authorization Act of 1991 (Public Law 102-204).

Background:

Statutory Provisions: Patent fees are authorized by 35 U.S.C. 41 and 35 U.S.C. 376. A 50 percent reduction in the fees paid under 35 U.S.C. 41(a) and 41(b) by independent inventors, small business concerns, and nonprofit organizations who meet prescribed definitions is authorized by 35 U.S.C. 41(h).

Subsection 41(f) of title 35, United States Code, provides that fees established under 35 U.S.C. 41(a) and (b) may be adjusted on October 1, 1992, and every year thereafter, to reflect fluctuations in the Consumer Price Index (CPI) over the previous 12 months.

Section 10101 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) provides that there shall be a surcharge on all fees established under 35 U.S.C. 41(a) and 41(b) to collect \$99 million in fiscal year 1993.

Subsection 41(d) of title 35, United States Code, authorizes the Commissioner to establish fees for all other processing, services, or materials related to patents to recover the average cost of providing these services or materials, except for the fees for recording a document affecting title, for each photocopy, and for each black and white copy of a patent.

Section 376 of title 35, United States Code, authorizes the Commissioner to set fees for patent applications filed under the Patent Cooperation Treaty.

Subsection 41(g) of title 35, United States Code, provides that new fee amounts established by the Commissioner under section 41 may take effect thirty days after notice in the Federal Register and the Official Gazette of the Patent and Trademark Office.

Subsection 41(i)(3) of title 35, United States Code, authorizes the Commissioner to establish reasonable fees for access to automated search systems of the PTO.

Section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113), authorizes the Commissioner to establish fees for the filing and processing of an application for the registration of a trademark or other mark, and for all other services and materials furnished by the PTO relating to trademarks and other marks.

Section 31(a) of the Trademark (Lanham) Act of 1946 (15 U.S.C. 1113(a)), as amended, allows trademark fees to be adjusted once each year to reflect, in the aggregate, any fluctuations during the preceding 12 months in the CPI.

Section 31 also allows new fee amounts to take effect thirty days after notice in the Federal Registration and the Official Gazette of the Patent and Trademark Office.

Recovery Level Determination: Fees have been adjusted for a planned recovery of \$486,000,000 in fiscal year 1993, as proposed in the Administration's budget request to the Congress.

Fees established by 35 U.S.C. 41(a) and 41(b) (patent statutory fees) may be adjusted on October 1, 1992, to reflect any fluctuations occurring during the previous 12 months in the CPI. The Office of Management and Budget (OMB) has determined that the PTO should use Consumer Price Index-U to adjust patent statutory fees. The Department of Labor's Consumer Price Index is made public approximately 21 days after the end of the month being calculated. The patent statutory fees are being adjusted by 3.3 percent, which reflects the Administration's projected Consumer Price Index-U for the 12-month period beginning October 1, 1991.

The patent statutory fees established by rule (56 FR 65142) on December 13, 1991, are being adjusted by the projected changes in the CPI of 3.3 percent. Amounts were rounded by applying standard arithmetic rules so that the amounts rounded would be convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$2 and \$99 were rounded to an even number so that the comparable small entity fee would be a whole number.

Patent statutory fees also are subject to the provisions of the Omnibus Budget Reconciliation Act of 1990, as amended by Public Law 102-204. These provisions require that \$99 million be collected in fiscal year 1993 for deficit reduction purposes in lieu of seeking general taxpayer funds from the U.S. Treasury. The \$99 million is deposited in a special account in the U.S. Treasury, and is reserved exclusively for use by the PTO, and is made available to the PTO through the appropriation process.

In establishing the 1993 patent statutory fees, the PTO applied the projected Consumer Price Index-U rate of 3.3 percent to the 1992 fees. The 1993 fees were rounded as explained above. Of the total amount of section 41(a) and (b) income expected to be collected in 1993, \$99 million must be deposited to the Fee Surcharge Fund.

Non-statutory patent service fees established under section 41(d) of title 35, United States Code, as amended, and PCT processing fees are being adjusted to recover planned costs in 1993, except in the case of three patent service fees set by statute. The three fees are assignment recording fees, printed patent copy fees and photocopy charge fees.

Trademark fees are being adjusted in fiscal year 1993, in the aggregate, to reflect changes over the prior 12 months in the CPI. The OMB has determined that the PTO should use Consumer Price Index-U to adjust trademark fees, which is made public by the Department of Labor approximately 21 days after the end of the month being calculated. The trademark fees are being adjusted, in the aggregate, by 3.3 percent, which reflects the Administration's projected Consumer Price Index-U for the 12 month period beginning October 1, 1991.

The PTO is adjusting only two trademark fees in 1993: for filing an application (37 CFR § 2.6(a)(1)) and for assignment records, abstract of title and certification (37 CFR § 2.6(b)(7)). One new fee is being set for dividing an application (37 CFR § 2.6(a)(19)). No other trademark fees are changing in 1993. The net effect of these changes is to increase trademark fees, in the aggregate, by 3.3 percent, the expected Consumer Price Index-U rate for the prior 12 month period.

Workload Projections: Determination of workloads varies by fee. Principal workload projection techniques are as follows:

Patent and trademark application workloads are projected from statistical regression models using recent application filing trends. Patent issues are projected from an inhouse patent production model and reflect examiner production achievements and goals. Patent maintenance fee workloads utilize patents issued 3.5, 7.5 and 11.5 years prior to payment and assume payment rates of 75 percent, 50 percent and 25 percent, respectively. Trademark affidavit projections are based on filing trends for marks registered five to six years prior to 1993. Trademark renewal projections are based on marks registered 20 years prior to 1993. Service fee workloads follow linear trends from prior year activities.

Public Access to Automated Systems: In April 1989, the PTO began providing access to APS-Text in the Patent Search Room at its facilities in Arlington, Virginia. On February 12, 1990, the PTO began charging a fee for access to APS-Text in the Patent Search Room. In September 1991, the PTO began providing, without charge, APS-Text to 14 Patent and Trademark Depository Libraries (PTDLs) as a pilot test program. APS-Text provides users of the patent search files with a value added search tool that enables them to conduct more comprehensive searches.

Although many PTDLs believe that government information should be available to the public free of charge, the PTO's fiscal year 1993 budget does not include any general taxpayer funds, but requires that all of the expenses of the PTO be recovered through user fees. These expenses include the cost of providing APS-Text to the public, both in the Patent Search Room in Virginia and at the PTDLs. Continuation of this service in the PTDLs, without direct charge to the users of the automated system, would require support from all other customers who pay for products and services from the PTO.

A second issue raised by many PTDLs concerns the method that PTO would use to collect fees from the users of APS-Text in the PTDLs. Users of APS-Text in the Patent Search Room pay for use of the system directly to the PTO. PTDLs have commented that collecting fees would be an administrative burden for many, while some are legally precluded from collecting fees.

The PTO has a strong interest in expanding access to APS-Text to all PTDLs that wish to participate, but considers allocating user fees paid for other products and services to subsidize this effort to be inappropriate. Therefore, PTO concludes that establishment of a fees for access to APS-Text is necessary.

At the same time, PTO wants to limit the administrative burden imposed on the PTDLs to collect user fees. Therefore, PTO intends to enter into an agreement establishing a service bureau arrangement for administering the collection of fees at participating PTDLs. This arrangement provides one alternative for providing administrative services, but PTO is seeking others. Therefore, through this rulemaking notice, the PTO is soliciting alternatives from other organizations, including the libraries themselves, for providing the administrative services associated with APS-Text. Likewise, the Office would like to consider other options for accessing patent search and retrieval in the PTDLs. The PTO will accept comments on alternative collection methods, and other options for accessing patent search and retrieval in the PTDLs until January 4, 1993.

In rule 1.21(p), the PTO is establishing a \$70 per connect hour fee to recover the cost of providing APS-Text services in participating PTDLs, but the Commissioner is immediately suspending collection of that fee until alternative methods of collecting the fee from users of APS-Text in the PTDLs are

identified. Although access to the 14 pilot PTDLs will continue for further evaluation purposes, the PTO will not extend access to additional PTDLs until a fee collection arrangement is established. Section 41(i)(3) of 35 U.S.C. states that if PTO establishes fees for access to the automated search system "a limited amount of free access shall be made available to users of the systems for purposes of education and training."

The \$70 per connect hour fee amount established by this rule is based on a calculation of the costs of PTO services, and preliminary cost estimates that were provided by a potential service bureau contractor. The cost elements for PTO include training; training software for personal computers (to be developed); manuals and documentation; additional main-frame CPU; and additional staff time for client support. The cost elements for services provided by the service bureau include billing, account administration, and user support; telecommunication costs to the network; and the Messenger Software enhancement fee.

After PTO has evaluated other options for a service bureau arrangement, a notice will be published in the Federal Registration and the Official Gazette of the Patent and Trademark Office. At that time, PTO will provide administrative procedures for public use of APS-Text in the PTDLs. Depending on responses to the solicitation for alternatives for providing the administrative services associated with APS-Text, the fee amount could be reduced at that time.

General Procedures: Any fee amount that is paid on or after October 1, 1992, would be subject to the new fees then in effect. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing, where authorized under 37 CFR 1.8, will be considered to be the date of receipt in the PTO. A "Certificate of Mailing under Section 1.8" is not "proper" for items which are specifically excluded from the provisions of § 1.8. Section 1.8 should be consulted for those items for which a Certificate of Mailing is not "proper." Such items include, inter alia, the filing of national and international applications for patents and the filing of trademark applications. However, the provisions of 37 CFR 1.10 relating to filing papers and fees with an "Express Mail" certificate do apply to any paper or fee (including patent and trademark applications) to be filed in the PTO. If an application or fee is filed by "Express Mail" with a proper certificate dated on or after the effective date of the rules, as amended, the amount of the fee to be paid would be the fee established by the amended rules.

A comparison of existing and revised fee amounts is included as an Appendix to this final rule.

In order to ensure clarity in the implementation of the revised fees, a discussion of specific sections is set forth below.

DISCUSSION OF SPECIFIC RULES

37 CFR 1.16 National application filing fees.

Section 1.16, paragraphs (a)-(d) and (f)-(j), is revised to adjust patent application filing fees to reflect fluctuations in the CPI.

37 CFR 1.17 Patent application processing fees.

Section 1.17, paragraphs (b)-(g), and (m), is revised to adjust fees established therein to reflect fluctuations in the CPI.

Section 1.17, paragraphs (j), (n) and (o), is revised to adjust fees established therein to recover costs.

37 CFR 1.18 Patent issue fees.

Section 1.18, paragraphs (a)-(c), is revised to adjust the issue fee for each original or reissue patent to reflect fluctuations in the CPI.

37 CFR 1.19 Document supply fees.

Section 1.19, subparagraph (b)(4) and paragraphs (f) and (h), is revised to adjust fees established therein to recover costs.

37 CFR 1.20 Post-issuance fees.

Section 1.20, paragraphs (a), (c) and (i), is revised to adjust fees established therein to recover costs.

Section 1.20, paragraphs (e)-(g), is revised to adjust fees established therein to reflect fluctuations in the CPI.

37 CFR 1.21 Miscellaneous fees and charges.

Section 1.21, subparagraphs (a)(1), (a)(5), (a)(6), (b)(2), (b)(3), and paragraphs (e) and (i), is revised to adjust fees established therein to recover costs.

Section 1.21, paragraph (p), is added to establish the fee for providing public access to the Automated Patent System full-text search (APS-Text) capability in Patent and Trademark Depository Libraries. The \$70.00 per connect hour fee would recover the marginal cost of providing the service to the public, including the cost for a service bureau to handle billing, account administration, and user support.

37 CFR 1.26 Refunds.

Section 1.26, paragraph (a), is revised to increase the minimum amount of a refund, without a request, from one dollar to twenty-five dollars in accordance with the Treasury Fiscal Manual, Volume One, Part Six, Chapter 3000.

Section 1.26, paragraph (c), is revised to provide for a refund of \$1,690 if the Commissioner decides not to institute reexamination proceedings. The \$1,690 refund would apply to those instances where the reexamination fee of \$2,250 under 37 CFR 1.20(c) was paid. The current \$1,635 refund would be made in those cases where the current \$2,180 reexamination fee was paid.

37 CFR 1.445 International application filing, processing, and search fees.

Section 1.445, is revised to adjust the fees authorized by 35 U.S.C. 376 to recover costs.

37 CFR 1.482 International preliminary examination fees.

Section 1.482, subparagraphs (a)(1), and (a)(2)(ii), is revised to adjust the fees authorized by 35 U.S.C. 376 to recover costs.

37 CFR 1.492 National stage fees.

Section 1.492, subparagraphs (a)(1)-(a)(3), and paragraphs (b)-(d), is revised to adjust fees established therein to reflect fluctuations in the CPI.

Section 1.492, subparagraph (a)(5), is revised to adjust the fee authorized by 35 U.S.C. 376 to recover costs.

37 CFR 2.6 Trademark fees.

Section 2.6, subparagraphs (a)(1) and (b)(7), is revised to adjust the fees authorized by the Trademark (Lanham) Act of 1946 to reflect fluctuations in the CPI.

New section 2.6(a)(19), is added to establish a fee for dividing a trademark application in accordance with 37 CFR 2.87. Section 2.6(a)(19) is revised from the proposal by adding the words "file wrapper" to clarify that the fee amount is due for each new file wrapper created.

37 CFR 2.87 Dividing an Application.

Section 2.87, is revised to establish a fee for dividing an application into two or more applications. Currently, no fee is charged for the physical act of dividing an application. Experience to date reveals that the creation of so-called "divisional" applications is labor intensive. For that reason, and because the creation of a divisional application is a significant benefit to an applicant, the PTO will charge a fee for dividing an application. The fee will be due for each new file wrapper created.

Section 2.87, is revised to divide paragraph (a) into paragraphs (a) and (b), and renumber paragraphs (b) and (c) as (c) and (d).

Response to Comments on the Rules: A notice of proposed rulemaking to adjust patent and trademark fees in accordance with the proposed provisions of Public Law 102-204 was published in the Federal Register on May 20, 1992, at 57 FR 21536, and in the Official Gazette on May 26, 1992, at 1138 OG 58. Corrections were published in the Federal Register on June 2, 1992, at 57 FR 23257.

A public hearing was held on June 24, 1992. A total of 28 comments were received: 27 respondents submitted written comments and three people presented oral testimony (two of whom also submitted written comments) at the public hearing. Over half of the comments received represented the views of libraries. All of the written and oral comments were considered in adopting the rules set forth herein.

Comment: Two people claimed that the proposed fees for filing an application under the Patent Cooperation Treaty (PCT) is discriminatory against applicants who file under the PCT route.

Response: The PTO is undertaking a thorough analysis of all PCT fees. The results of this analysis, and the recommendations concerning PTO's fee structure to be made to the Secretary of Commerce by the Advisory Commission on Patent Law Reform, will be taken into consideration when PTO proposes the fiscal year 1994 fee adjustments.

Comment: One respondent, although not objecting to the proposed 3.3 percent fee increase, suggested that the PTO may be understating its projected income from maintenance fees which could be used to offset inflationary increases and possibly reduce PCT fees.

Response: When maintenance fees first were imposed, the Office looked at historical payment trends experienced by other offices, such as the European Patent Office. The PTO conservatively projected the number of maintenance fees to be paid for two reasons. First, there is not a long history of maintenance fee payments on which to base income projections; for example, second stage maintenance fees only recently have started to come due, and third stage maintenance fees will not become due for many patent owners until 1995. Second, the percentage of patent owners paying second stage maintenance fees in recent months has declined from the renewal rate that was experienced during the first year that second stage maintenance fees were paid. Therefore, PTO is properly conservative in its maintenance fee payment projections. We will conduct a comprehensive analysis of projected maintenance fee payments prior to proposing the fiscal year 1994 fee adjustment.

Comment: Eighteen respondents opposed establishment of fees for the public to access APS-Text at the Patent and Trademark Depository Libraries, primarily because the public has a right to free access to patent information. One person asked about administrative procedures for providing APS-Text in the PTDLS, and suggested that CD-ROM products continue to be made available free of charge and access fees for APS-Text be kept as low as possible.

Response: As a fully fee-funded agency, the costs to the PTO of providing access to APS-Text in the 74 Patent and Trademark Depository Libraries (PTDLs) would have to be borne either by the individual users of the system, or by all users of the patent system (e.g., patent applicants). In June 1988, the PTO published in 53 Federal Register 23677 the results of comments solicited on alternatives for funding access to the PTO's automated systems. In response, the PTO received 21 comments, 12 of which advocated the use of taxpayer revenues, and seven supported at least some reliance on user fees. The latter based their decisions on the reality of budget deficit problems; the inequity of providing taxpayer funds to subsidize on-line searchers who charge fees for their services; and the need to have an equitable fee structure that applies throughout the United States.

The PTO has a strong interest in expanding access to APS-Text to all PTDLs that wish to participate, with the least amount of administrative burden to the PTDLs, but considers allocating user fees paid for other products and services to subsidize this effort to be inappropriate. Therefore, the PTO is establishing a fee of \$70 per connect hour for accessing APS-Text in the PTDLs, which includes the cost of having a service bureau provide billing, account administrative, and user support. However, the Commissioner is immediately suspending collection of that fee to provide additional time to solicit comments through this rulemaking for providing the administrative ser-

vices associated with APS-Text. Likewise, the Office would like to consider other options for accessing patent search and retrieval in the PTDs. The Office will publish a notice in the Federal Register and the Official Gazette of the Patent Trademark Office thirty days before it begins collecting a fee for public access to APS-Text in the PTDs.

Comment: One respondent claimed that proposed 37 CFR 1.21(p) is not in accord with the rulemaking provision of 5 U.S.C. 553(b) which requires that the issues involved be described in the notice of proposed rulemaking.

Response: The Notice of Proposed Rulemaking 57 FR 21536, referenced 35 U.S.C. § 41(i)(3) which authorizes the Commissioner to establish reasonable fees for access to automated search systems of the PTO. Further in the notice at 57 FR 21537, under the discussion of the proposed revision to 37 CFR § 1.21, it was stated that the proposed \$40.00 fee would recover the PTO's estimated marginal cost of providing the service to the PTDs. The notice also indicated the PTO was investigating the use of a contract service bureau to provide access in which case the fee would be approximately \$70.00. This fully described the issue involved in the proposed rule change.

Comment: Two respondents commented on the administrative burden caused by a change to the fee structure at this time, particularly in light of prior fee changes and the small amount of the adjustment.

Response: The PTO proposed to adjust its fees because operating costs have increased over the past year. The Commissioner is authorized to adjust patent and trademark fees on October 1, 1992 and every year thereafter to reflect fluctuations in the Consumer Price Index over the prior twelve months. Future charges are expected to occur annually on October 1st. The fee increases that will be implemented on October 1, 1992, are expected to generate \$15.1 million. Without this revenue, PTO would be forced to make cuts in patent and trademark operations that would affect the quality of examination.

Comment: One person expressed concern about the quality and timeliness of services for which new or increased fees are proposed, complaining specifically of the delay in receiving an official filing receipt when a trademark application is divided and in the recording of assignments.

Response: A major objective of the Office is to assure continuous quality improvements throughout all operations. The Office has taken steps to address the areas of concern identified.

Comment: One organization and one person objected to the PTO's sole reliance on fee income, particularly for funding automation development costs.

Response: The Omnibus Budget Reconciliation Act of 1990 requires that a user fee surcharge on certain patent fees replace taxpayer funds for the five year period 1991-1995. Whether PTO should receive funds from other sources in future fiscal years is beyond the scope of the rule package.

The automation programs, which are funded from user fees, are designed to improve the quality and timeliness of PTO services and products, and to discontinue reliance on manual processes and paper references.

Comment: One person said that small entities do not benefit from the 50 percent reduction to certain patent fees, because many small companies, particularly those in high technology areas, must license their patent rights and thus pay large entity status fees.

Response: The purpose of the small entity subsidy is to ensure that individual inventors, small businesses and non-profit organizations are not barred from using the patent system because of the PTO's fee structure. Once a small entity assigns the rights to a patent application or a patent to a large entity, presumably receiving compensation from the large entity, the reduced fee amounts no longer apply.

Comment: One organization said that trademark fees appear to be justified but PTO must ensure that trademark functions are being discharged in the most efficient and economical manner. For example, the organization questioned whether it is efficient for the Office to continue to maintain a paper search file and to continue to pay the General Services Administration (GSA) for building services.

Response: The Office is committed to ensuring that its trademark functions are being discharged effectively and, as part of its quality improvement program, is currently reviewing various work-related processes. No decision has yet been made as to when the paper search file will be eliminated and no such

decision will be made until the public has been given an opportunity to comment. The Office has asked GSA to review the level of charges assessed in light of current market conditions.

Other Considerations: The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354); Executive Orders 12291 and 12612; and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501, et seq. There are no information collection requirements relating to patent and trademark fee rules.

The PTO has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change would not have a significant adverse impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rule change increases fees by changes in the CPI as authorized by 35 U.S.C. 41(f). Further, the principal impact of the major patent fees has already been taken into account in 35 U.S.C. 41(h), which provides small entities with a 50-percent reduction in the major patent fees.

The PTO has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy would be less than \$100 million. There would be no major increase in costs or prices for consumers; individual industries; Federal, state, or local government agencies; or geographic regions. There would be no significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and record keeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble, the PTO is amending title 37 of the Code of Federal Regulations, Chapter I, as set forth below.

Part 1-Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.16 is amended by revising paragraphs (a)-(d), the parenthetical following paragraph (d), paragraphs (f)-(j), and the note at the end of the section to read as follows:

§ 1.16 National application filing fees.

(a) Basic fee for filing each application for an original patent, except design or plant cases:
By a small entity (§1.19(f)) \$355.00
By other than a small entity \$710.00

(b) In addition to the basic filing fee in an original application, for filing or later presentation of each independent claim in excess of 3:
By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(c) In addition to the basic filing fee in an original application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20.

(Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain, a multiple dependent claim(s) per application:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(If the additional fees required by paragraphs (b), (c), and (d) of this section are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims canceled by amendment prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(f) For filing each design application:

By a small entity (§ 1.9(f)) \$145.00
By other than a small entity \$290.00

(g) Basic fee for filing each plant application:

By a small entity (§ 1.9(f)) \$240.00
By other than a small entity \$480.00

(h) Basic fee for filing each reissue application:

By a small entity (§ 1.9(f)) \$355.00
By other than a small entity \$710.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(j) In addition to the basic filing fee in a reissue application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 and also in excess of the number of claims in the original patent.

(Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(Note: See §§ 1.445, 1.482 and 1.492 for international application filing and processing fees.)

3. Section 1.17 is amended by revising paragraphs (b)-(g), (j), (m)-(o) to read as follows:

§ 1.17 Patent application processing fees.

(b) Extension fee for response within second month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$180.00
By other than a small entity \$360.00

(c) Extension fee for response within third month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$420.00
By other than a small entity \$840.00

(d) Extension fee for response within fourth month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$660.00
By other than a small entity \$1,320.00

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:

By a small entity (§ 1.9(f)) \$135.00
By other than a small entity \$270.00

(f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity (§ 1.9(f)) \$135.00
By other than a small entity \$270.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. 134:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(j) For filing a petition to institute a public use proceeding under § 1.292 \$1,350.00

(m) For filing a petition:

(1) For revival of an unintentionally abandoned application, or

(2) For the unintentionally delayed payment of the fee for issuing a patent:

By a small entity (§ 1.9(f)) \$585.00
By other than a small entity \$1,170.00

(n) For requesting publication of a statutory invention registration prior to the mailing of the first examiner's action pursuant to § 1.104—\$820.00 reduced by the amount of the application basic filing fee paid

(o) For requesting publication of a statutory invention registration after the mailing of the first examiner's action pursuant to § 1.104—\$1,640.00 reduced by the amount of the application basic filing fee paid

4. Section 1.18 is amended by revising paragraphs (a)-(c) to read as follows:

§ 1.18 Patent issue fees.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity (§ 1.9(f)) \$585.00
By other than a small entity \$1,170.00

(b) Issue fee for issuing a design patent:

By a small entity (§ 1.9(f)) \$205.00
By other than a small entity \$410.00

(c) Issue fee for issuing a plant patent:

By a small entity (§ 1.9(f)) \$295.00
By other than a small entity \$590.00

5. Section 1.19 is amended by revising paragraph (b)(4) and paragraphs (f) and (h) to read as follows:

§ 1.19 Document supply fees:

(b)***

(4) For assignment records, abstract of title and certification, per patent \$25.00

(f) Uncertified copy of a non-United States patent document, per document \$25.00

(h) Additional filing receipts; duplicate; or corrected due to applicant error \$25.00

6. Section 1.20 is amended by revising paragraphs (a), (c), (e)-(g) and (i) to read as follows:

§ 1.20 Post issuance fees.

(a) For providing a certificate of correction for applicant's mistake (§ 1.323) \$100.00

(c) For filing a request for reexamination (§1.510(a)) \$2,250.00

(e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond four years; the fee is due by three years and six months after the original grant.
By a small entity (§ 1.9(f)) \$465.00
By other than a small entity \$930.00

(f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond eight years; the fee is due by seven years and six months after the original grant.
By a small entity (§ 1.9(f)) \$935.00
By other than a small entity \$1,870.00

(g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond twelve years; the fee is due by eleven years and six months after the original grant.
By a small entity (§ 1.9(f)) \$1,410.00
By other than a small entity \$2,820.00

(i) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable \$620.00

7. Section 1.21 is amended by revising paragraphs (a)(1), (a)(5), (a)(6), (b)(2), (b)(3), (e), and (i) and adding paragraph (p) to read as follows:

§ 1.21 Miscellaneous fees and charges.

(a) ***

(1) For admission to examination for registration to practice, fee payable upon application \$300.00

(5) For review of a decision of the Director of Enrollment and Discipline under § 10.2(c) \$130.00

(6) For requesting regrading of an examination under §10.7(c) \$130.00

(b) ***

(2) Service charge for each month when the balance at the end of the month is below \$1,000 \$25.00

(3) Service charge for each month when the balance at the end of the month is below \$300.00 for restricted subscription deposit accounts used exclusively for subscription order of patent copies as issued \$25.00

(e) International type search reports: For preparing an international type search report of an international type search made at the time of the first action on the merits in a national patent application \$40.00

(i) Publication in Official Gazette: For publication in the Official Gazette of a notice of the availability of an application or a patent for licensing or sale, each application or patent \$25.00

(p) Library service: marginal cost for providing to a Patent and Trademark Depository Library access to Automated Patent System (APS) full-text search capability, per hour of terminal session time, including print time \$70.00

8. Section 1.26 is amended by revising paragraphs (a) and (c) to read as follows:

§ 1.26 Refunds.

(a) Money paid in excess will be refunded, but a mere change of purpose after the payment of money, as when a party desires to withdraw an application, an appeal, or a request for oral hearing, will not entitle a party to demand such a return. Amounts of twenty-five dollars or less will not be returned unless specifically requested within a reasonable time, nor will the payer be notified of such amount; amounts over twenty-five dollars may be returned by check, or if requested, by credit to a deposit account.

(c) If the Commissioner decides not to institute a reexamination proceeding, a refund of \$1,690 will be made to the requester of the proceeding. Reexamination requesters should indicate whether any refund should be made by check or by credit to a deposit account.

9. Section 1.445 is amended by revising paragraph (a) to read as follows:

§ 1.445 International application filing, processing and search fees.

(a) The following fees and charges for international applications are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A transmittal fee (see 35 U.S.C. 361(d) and PCT Rule 14) \$200.00

(2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

(i) No corresponding prior United States national application with basic filing fee has been filed \$620.00

(ii) A corresponding prior United States national application with basic filing fee has been filed \$410.00

(3) A supplemental search fee when required, per additional invention \$170.00

10. Section 1.482 is amended by revising paragraphs (a) introductory text, (a)(1), and (a)(2)(ii) to read as follows:

§ 1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A preliminary examination fee is due on filing the Demand:

(i) Where an international search fee as set forth in § 1.455(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, a preliminary examination fee of \$450.00

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, a preliminary examination fee of \$670.00

(2)***

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office \$230.00

11. Section 1.492 is amended by revising paragraphs (a)(1)-(a)(3), (a)(5), paragraphs (b)-(d), and the parenthetical following paragraph (d) to read as follows:

§ 1.492 *National stage fees.*

(a)***

(1) Where an international preliminary examination fee as set forth in § 1.482 has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f)) \$320.00
By other than a small entity \$640.00

(2) Where no international preliminary examination fee as set forth in § 1.482 has been paid to the United States Patent and Trademark Office, but an international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority:

By a small entity (§ 1.9(f)) \$355.00
By other than a small entity \$710.00

(3) Where no international preliminary examination fee as set forth in § 1.482 has been paid and no international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f)) \$475.00
By other than a small entity \$950.00

(5) Where a search report on the international application has been prepared by the European Patent Office or the Japanese Patent Office:

By a small entity (§ 1.9(f)) \$415.00
By other than a small entity \$830.00

(b) In addition to the basic national fee, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(c) In addition to the basic national fee, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes.):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(d) In addition to the basic national fee, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(If the additional fees required by paragraphs (b), (c) and (d) are not paid on presentation of the claims for which the additional fees are due, they must be paid or the claims cancelled by amendment prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

Part 2 - Rules of Practice in Trademark Cases

1. The authority citation for Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is amended by revising paragraphs (a)(1) and (b)(7) and adding paragraph (a)(19) to read as follows:

§ 2.6 *Trademark fees.*

(a) Trademark process fees.

(1) For filing an application, per class \$210.00

(19) Dividing an application, per new application (file wrapper) created \$100.00

(b) Trademark service fees.

(7) For assignment records, abstract of title and certification, per registration \$25.00

3. Section 2.87 is revised to read as follows:

Section 2.87 Dividing an Application

(a) An application may be physically divided into two or more separate applications upon the payment of a fee for each new application created and submission by the applicant of a request in accordance with paragraph (d) of this section.

(b) In the case of a request to divide out one or more entire classes from an application, only the fee under paragraph (a) of this section will be required. However, in the case of a request to divide out some, but not all, of the goods or services in a class, an application filing fee for each new separate application to be created by the division must be submitted, together with the fee under paragraph (a) of this section. Any outstanding time period for action by the applicant in the original application at the time of the division will be applicable to each new separate application created by the division.

(c) A request to divide an application may be filed at any time between the filing of the application and the date the Trademark Examining Attorney approves the mark for publication or the date of expiration of the six-month response period after issuance of a final action; or during an opposition, upon motion granted by the Trademark Trial and Appeal Board. Additionally, a request to divide an application under section 1(b) of the Act may be filed with a statement of use under § 2.88 or at any time between the filing of a statement of use and the date the Trademark Examining Attorney approves the mark for registration or the date of expiration of the six-month response period after issuance of a final action.

(d) A request to divide an application should be made in a separate paper from any other amendment or response in the application. The title "Request to divide application." should appear at the top of the first page of the paper.

Aug. 17, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

Note.- The following appendix will not appear in the Code of Federal Regulations

Appendix A - Comparison of Existing and Revised Fee Amounts

Page 1

37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.16(a)	Basic Filing Fee	\$690	\$710
1.16(a)	Basic Filing Fee (Small Entity)	\$345	\$355
1.16(b)	Independent Claims	\$72	\$74
1.16(b)	Independent Claims (Small Entity)	\$36	\$37
1.16(c)	Claims in Excess of 20	\$20	\$22
1.16(c)	Claims in Excess of 20 (Small Entity)	\$10	\$11
1.16(d)	Multiple Dependent Claims	\$220	\$230
1.16(d)	Multiple Dependent Claims (Small Entity)	\$110	\$115
1.16(e)	Surcharge - Late Filing Fee	\$130	\$130
1.16(e)	Surcharge - Late Filing Fee (Small Entity)	\$65	\$65
1.16(f)	Design Filing Fee	\$280	\$290
1.16(f)	Design Filing Fee (Small Entity)	\$140	\$145
1.16(g)	Plant Filing Fee	\$460	\$480
1.16(g)	Plant Filing Fee (Small Entity)	\$230	\$240
1.16(h)	Reissue Filing Fee	\$690	\$710
1.16(h)	Reissue Filing Fee (Small Entity)	\$345	\$355
1.16(i)	Reissue Independent Claims	\$72	\$74
1.16(i)	Reissue Independent Claims (Small Entity)	\$36	\$37
1.16(j)	Reissue Claims in Excess of 20	\$20	\$22
1.16(j)	Reissue Claims in Excess of 20 (Small Entity)	\$10	\$11
1.17(a)	Extension - First Month	\$110	\$110
1.17(a)	Extension - First Month (Small Entity)	\$55	\$55
1.17(b)	Extension - Second Month	\$350	\$360
1.17(b)	Extension - Second Month (Small Entity)	\$175	\$180
1.17(c)	Extension - Third Month	\$810	\$840
1.17(c)	Extension - Third Month (Small Entity)	\$405	\$420
1.17(d)	Extension - Fourth Month	\$1,280	\$1,320
1.17(d)	Extension - Fourth Month (Small Entity)	\$640	\$660
1.17(e)	Notice of Appeal	\$260	\$270
1.17(e)	Notice of Appeal (Small Entity)	\$130	\$135
1.17(f)	Filing a Brief	\$260	\$270
1.17(f)	Filing a Brief (Small Entity)	\$130	\$135
1.17(g)	Request for Oral Hearing	\$220	\$230
1.17(g)	Request for Oral Hearing (Small Entity)	\$110	\$115
1.17(h)	Petition - Not All Inventors	\$130	\$130
1.17(h)	Petition - Correction of Inventorship	\$130	\$130
1.17(h)	Petition - Decision on Questions	\$130	\$130
1.17(h)	Petition - Suspend Rules	\$130	\$130
1.17(h)	Petition - Expedited License	\$130	\$130
1.17(h)	Petition - Scope of License	\$130	\$130
1.17(h)	Petition - Retroactive License	\$130	\$130
1.17(h)	Petition - Refusing Maintenance Fee	\$130	\$130
1.17(h)	Petition - Refusing Maintenance Fee - Expired Patent	\$130	\$130
1.17(h)	Petition - Interference	\$130	\$130
1.17(h)	Petition - Reconsider Interference	\$130	\$130
1.17(h)	Petition - Late Filing of Interference	\$130	\$130
1.20(b)	Petition - Correction of Inventorship	\$130	\$130
1.17(h)	Petition - Refusal of Publish SIR	\$130	\$130
1.17(i)(1)	Petition - For Assignment	\$130	\$130
1.17(i)(1)	Petition - For Application	\$130	\$130
1.17(i)(1)	Petition - Late Priority Papers	\$130	\$130
1.17(i)(1)	Petition - Suspend Action	\$130	\$130
1.17(i)(1)	Petition - Divisional Reissues to Issue Separately	\$130	\$130
1.17(i)(1)	Petition - For Interference Agreement	\$130	\$130
1.17(i)(1)	Petition - Amendment After Issue	\$130	\$130
1.17(i)(1)	Petition - Withdrawal After Issue	\$130	\$130
1.17(i)(1)	Petition - Defer Issue	\$130	\$130
1.17(i)(1)	Petition - Issue to Assignee	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.53	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.60	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.62	\$130	\$130
1.17(i)(2)	Petition - Make Application Special	\$130	\$130
1.17(j)	Petition - Public Use Processing	\$1,310	\$1,350
1.17(k)	Non-English Specification	\$130	\$130
1.17(l)	Petition - Revive Abandoned Appl.	\$110	\$110
1.17(l)	Petition - Revive Abandoned Appl. (Small Entity)	\$55	\$55
1.17(m)	Petition - Revive Unintentionally Abandoned Appl.	\$1,130	\$1,170
1.17(m)	Petition - Revive Unintentionally Abandoned Appl. (Small Entity)	\$565	\$585
1.17(n)	SIR - Prior to Examiner's Action	\$790	\$820
1.17(o)	SIR - After Examiner's Action	\$1,580	\$1,640
1.17(p)	Submission of an Information Disclosure Statement (§1.97)	—	\$200
1.18(a)	Issue Fee	\$1,130	\$1,170

Appendix A - Comparison of Existing and Revised Fee Amounts

Page 2

37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.18(a)	Issue Fee (Small Entity)	\$565	\$585
1.18(b)	Design Issue Fee	\$400	\$410
1.18(b)	Design Issue Fee (Small Entity)	\$200	\$205
1.18(c)	Plant Issue Fee	\$570	\$590
1.18(c)	Plant Issue Fee (Small Entity)	\$285	\$295
1.19(a)(1)(i)	Copy of Patent	\$3	\$3
1.19(a)(1)(ii)	Patent Copy - Expedited Local Service	\$6	\$6
1.19(a)(1)(iii)	Patent Copy Ordered Via EOS - Expedited Service	\$25	\$25
1.19(a)(2)	Plant Patent Copy	\$12	\$12
1.19(a)(3)(i)	Copy of Utility Patent or SIR in Color	\$24	\$24
1.19(b)(1)(i)	Certified Copy of Patent Application as Filed	\$12	\$12
1.19(b)(1)(ii)	Certified Copy of Patent Application as Filed, Expedited	\$24	\$24
1.19(b)(2)	Cert. or Uncert. Copy of Patent-Related File Wrapper/Contents	\$150	\$150
1.19(b)(3)	Cert. or Uncert. Copies of Office Records, per Document	\$25	\$25
1.19(b)(4)	For Assignment Records, Abstract of Title and Certification	\$20	\$25
1.19(c)	Library Service	\$50	\$50
1.19(d)	List of Patents in Subclass	\$3	\$3
1.19(e)	Uncertified Statement-Status of Maintenance Fee Payment	\$10	\$10
1.19(f)	Copy of Non-U.S. Patent Document	\$12	\$25
1.19(g)	Comparing the Certifying Copies, Per Document, Per Copy	\$25	\$25
1.19(h)	Duplicate or Corrected Filing Receipt	\$20	\$25
1.20(a)	Certificate of Correction	\$70	\$100
1.20(c)	Reexamination	\$2,180	\$2,250
1.20(d)	Statutory Disclaimer	\$110	\$110
1.20(d)	Statutory Disclaimer (Small Entity)	\$55	\$55
1.20(e)	Maintenance Fee - 3.5 Years	\$900	\$930
1.20(e)	Maintenance Fee - 3.5 Years (Small Entity)	\$450	\$465
1.20(f)	Maintenance Fee - 7.5 Years	\$1,810	\$1,870
1.20(f)	Maintenance Fee - 7.5 Years (Small Entity)	\$905	\$935
1.20(g)	Maintenance Fee - 11.5 Years	\$2,730	\$2,820
1.20(g)	Maintenance Fee - 11.5 Years (Small Entity)	\$1,365	\$1,410
1.20(h)	Surcharge - Maintenance Fee - 6 Months	\$130	\$130
1.20(h)	Surcharge - Maintenance Fee - 6 Months (Small Entity)	\$65	\$65
1.20(i)	Surcharge - Maintenance After Expiration	\$600	\$620
1.20(j)	Extension of Term of Patent	\$1,000	\$1,000
1.21(a)(1)	Admission to Examination	\$290	\$300
1.21(a)(2)	Registration to Practice	\$100	\$100
1.21(a)(3)	Reinstatement to Practice	\$15	\$15
1.21(a)(4)	Certificate of Good Standing	\$10	\$10
1.21(a)(4)	Certificate of Good Standing, Suitable Framing	\$20	\$20
1.21(a)(5)	Review of Decision of Director, OED	\$120	\$130
1.21(a)(6)	Regrading of Examination	\$120	\$130
1.21(b)(1)	Establish Deposit Account	\$10	\$10
1.21(b)(2)	Service Charge Below Minimum Balance	\$20	\$25
1.21(b)(3)	Service Charge Below Minimum Balance	\$20	\$25
1.21(c)	Filing a Disclosure Document	\$10	\$10
1.21(d)	Box Rental	\$50	\$50
1.21(e)	International Type Search Report	\$35	\$40
1.21(g)	Self-Service Copy Charge	\$0.25	\$0.25
1.21(h)	Recording Patent Property	\$40	\$40
1.21(i)	Publication in the OG	\$20	\$25
1.21(j)	Labor Charges for Services	\$30	\$30
1.21(k)	Unspecified Other Services	Actual Cost	Actual Cost
1.21(l)	Retaining Abandoned Application	\$130	\$130
1.21(m)	Processing Returned Checks	\$50	\$50
1.21(n)	Handling Fee - Incomplete Application	\$130	\$130
1.21(o)	Terminal Use APS-Text	\$40	\$40
1.21(p)	Terminal Use APS-Text by the PTDL's	—	\$70
1.24	Coupons for Patent Copies	\$3	\$3
1.296	Handling Fee - Withdrawal SIR	\$130	\$130
1.445(a)(1)	Transmittal Fee	\$190	\$200
1.445(a)(2)(i)	PCT Search Fee - No U.S. Application	\$600	\$620
1.445(a)(2)(ii)	PCT Search Fee - Prior U.S. Application	\$400	\$410
1.445(a)(3)	Supplemental Search	\$160	\$170
1.482(a)(1)(i)	Preliminary Exam Fee	\$440	\$450
1.482(a)(1)(ii)	Preliminary Exam Fee	\$650	\$670
1.482(a)(2)(i)	Additional Invention	\$140	\$140
1.482(a)(2)(ii)	Additional Invention	\$220	\$230
1.492(a)(1)	Preliminary Examining Authority	\$620	\$640
1.492(a)(1)	Preliminary Examining Authority (Small Entity)	\$310	\$320
1.492(a)(2)	Searching Authority	\$690	\$710
1.492(a)(2)	Searching Authority (Small Entity)	\$345	\$355
1.492(a)(3)	PTO Not ISA nor IPEA	\$920	\$950
1.492(a)(3)	PTO Not ISA nor IPEA (Small Entity)	\$460	\$475

Appendix A - Comparison of Existing and Revised Fee Amounts

Page 3

37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.492(a)(4)	Claims - IPEA	\$90	\$90
1.492(a)(4)	Claims - IPEA (Small Entity)	\$45	\$45
1.492(a)(5)	Filing with EPO/JPO Search Report	\$800	\$830
1.492(a)(5)	Filing with EPO/JPO Search Report (Small Entity)	\$400	\$415
1.492(b)	Claims - Extra Individual (Over 3)	\$72	\$74
1.492(b)	Claims - Extra Individual (Over 3) (Small Entity)	\$36	\$37
1.492(c)	Claims - Extra Total (Over 20)	\$20	\$22
1.492(c)	Claims - Extra Total (Over 20) (Small Entity)	\$10	\$11
1.492(d)	Claims - Multiple Dependents	\$220	\$230
1.492(d)	Claims - Multiple Dependents (Small Entity)	\$110	\$115
1.492(e)	Surcharge	\$130	\$130
1.492(e)	Surcharge (Small Entity)	\$65	\$65
1.492(f)	English Translation - After 20 Months	\$130	\$130
2.6(a)(1)	Application for Registration, Per Class	\$200	\$210
2.6(a)(2)	Amendment to Allege Use, Per Class	\$100	\$100
2.6(a)(3)	Statement of Use, Per Class	\$100	\$100
2.6(a)(4)	Extension for Filing Statement of Use, Per Class	\$100	\$100
2.6(a)(5)	Application for Renewal, Per Class	\$300	\$300
2.6(a)(6)	Surcharge for Late Renewal, Per Class	\$100	\$100
2.6(a)(7)	Publication of Mark Under §12(a), Per Class	\$100	\$100
2.6(a)(8)	Issuing New Certificate of Registration	\$100	\$100
2.6(a)(9)	Certificate of Correction of Registrant's Error	\$100	\$100
2.6(a)(10)	Filing Disclaimer to Registration	\$100	\$100
2.6(a)(11)	Filing Amendment to Registration	\$100	\$100
2.6(a)(12)	Filing Affidavit Under Section 8, Per Class	\$100	\$100
2.6(a)(13)	Filing Affidavit Under Section 15, Per Class	\$100	\$100
2.6(a)(14)	Filing Affidavit Under Sections 8 & 15, Per Class	\$200	\$200
2.6(a)(15)	Petitions to the Commissioner	\$100	\$100
2.6(a)(16)	Petition to Cancel, Per Class	\$200	\$200
2.6(a)(17)	Notice of Opposition, Per Class	\$200	\$200
2.6(a)(18)	Ex Parte Appeal to the TTAB, Per Class	\$100	\$100
2.6(a)(19)	Dividing an Application, Per New Application Created	—	\$100
2.6(b)(1)(i)	Copy of Registered Mark	\$3	\$3
2.6(b)(1)(ii)	Copy of Registered Mark, Expedited	\$6	\$6
2.6(b)(1)(iii)	Copy of Registered Mark Ordered Via EOS, Expedited Svc. \$	25	\$25
2.6(b)(2)(i)	Certified Copy of TM Application as Filed	\$12	\$12
2.6(b)(2)(ii)	Certified Copy of TM Application as Filed, Expedited	\$24	\$24
2.6(b)(3)	Cert. or Uncert. Copy of TM-Related File Wrapper/Contents	\$50	\$50
2.6(b)(4)(i)	Cert. Copy of Registered Mark, Title or Status	\$10	\$10
2.6(b)(4)(ii)	Cert. Copy of Registered Mark, Title or Status - Expedited	\$20	\$20
2.6(b)(5)	Certified or Uncertified Copy of TM Records	\$25	\$25
2.6(b)(6)	Recording Trademark Property, Per Mark, Per Document	\$40	\$40
2.6(b)(6)	For Second and Subsequent Marks in Same Document	\$25	\$25
2.6(b)(7)	For Assignment Records, Abstracts of Title and Cert.	\$20	\$25
2.6(b)(8)	Terminal Use T-SEARCH	\$40	\$40
2.6(b)(9)	Self-Service Copy Charge	\$0.25	\$0.25
2.6(b)(10)	Labor Charges for Services	\$30	\$30
2.6(b)(11)	Unspecified Other Services	Actual Cost	Actual Cost
1.19(g)	Comparing and Certifying Copies, per Document, per Copy	\$25	\$25
1.24	Trademark Coupons	\$3	\$3

[1141 OG 68]

(53) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Parts 1 and 2
[Docket No. 90363-9221]
RIN: 0651-AA40

Patent and Trademark Automated Search System Fees

Agency: Patent and Trademark Office, Commerce
 Action: Final Rule

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, to set forth fees for public access to the text data bases resident on the Automated Patent System (APS) and the automated trademark search system (T-Search). Pub. L. 100-703, enacted on November 19, 1988, allows the Commissioner to establish reasonable fees for on-line access to the automated search systems.

The Office will provide on-line access to its USPAT data base (full text of U.S. patents issued after 1974), the U.S.

classification data from 1790 to the present, and to English abstracts of Japanese and Chinese patents (to the extent they are available), hereinafter referred to as APS-Text, in its Patent Search Room and to T-Search in its Trademark Search Library, located in Arlington, Virginia. Except for a series of pilot experiments which may occur over the next one or two years, the Office does not plan to provide routine remote on-line access to these data bases at any other facilities at the present time. A separate rulemaking process will be followed when the Office determines to provide such remote on-line access.

Both search systems have been made available to the public free of charge since April 3, 1989, for the purposes of education and training (familiarization).

The paper and/or microfilm collections of U.S. patents, foreign patents documents and U.S. trademark registrations continue to be available to the public free of charge, as provided by section 104(b) of Pub. L. 100-703. The Office reaffirms its commitment to hold a public hearing prior to making any decision concerning the elimination of the paper files.

This final rule establishes fees for use of the on-line automated search systems. In addition, procedures for public use of the automated search systems, including training and charging of fees, are presented.

In response to the notice of proposed rulemaking published in the *Federal Register* on May 3, 1989 (54 FR 18907), and at a public hearing held on June 30, 1989, the Office received many comments regarding problems encountered by the public in the use of T-Search. The Office believes that T-Search has proven effective for searches performed by Trademark examining attorneys in connection with their examination of applications for the registration of marks. Although the Office is establishing a fee for accessing the T-Search system, the Commissioner is immediately suspending collection of that fee to provide additional time for the public to familiarize themselves with T-Search. The Office will provide the public with sixty days notice before starting to collect the fee.

Effective Date: February 12, 1990. Rule 2.6(w) will take effect February 12, 1990 but immediately be suspended by the Commissioner. The Office will provide written notice in the *Federal Register* sixty days before starting to collect fees for accessing T-Search.

For Further Information: Frances Michalkewicz by telephone at (703) 557-1610 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: The purpose of this final rule is to establish new fees for the on-line use by the public of APS-Text, and T-Search that are to be provided in the Office's facilities in Arlington, Virginia. This final rule is consistent with the Office's Electronic Data Dissemination Policies and Guidelines, which were published in final form in the *Federal Register* on May 3, 1989, at 54 FR 18920. Establishment and adjustment of patent fees is provided for by section 6 and section 41 of Title 35, United States Code, and section 103(b) of Pub. L. 100-703. Establishment and adjustment of trademark fees is authorized by section 31 of the Trademark (Lanham) Act 1946, as amended (15 U.S.C. 1113), and section 103(a) of Pub. L. 100-703. Information on the procedures for public use of the automated systems, including training, waivers, and the charging of fees, also is presented.

Background: In response to Pub. L. 96-517, the 1980 legislation which amended patent and trademark laws, the Office prepared and submitted a plan for the automation of its operations to Congress on December 13, 1982. The plan centered on two basic concepts: the creation of electronic data bases that (1) would eventually replace the Office's all-paper patent and trademark files, and thereby improve the integrity and quality of Office records; and (2) would support searches, examinations, Office actions and other Office functions through electronic workstations which would provide text and image retrieval capabilities and perform other automation functions.

Over 700,000 active Federal trademark registrations have been converted to an electronic data base of textual and digital image data. A computer system has been installed to enable trademark examining attorneys to search the data base for registered and pending trademarks and associated textual data, including marks containing designs, and to retrieve, display and print all information as a substitute for paper file searches. Trademark examining attorneys have been using T-Search exclusively since January 1988 via a network of approximately 40 terminals. After a six-month experimental T-Search evaluation program conducted between June and December 1988, the capability was deployed for public use in the Trademark Search Library on April 3, 1989.

The T-Search "dead data base", trademarks cancelled, expired or abandoned since March 1984, also is available to the public, but approximately 17,000 images are missing and an additional 184,000 registrations and applications have not been quality checked. Trademark examining attorneys do not search this data base in connection with examining activities.

An Automated Patent System (APS) was installed for test and evaluation purposes, using one patent examining group as an operational testbed. Major operational components of APS, that is, large scale computers with conventional magnetic storage devices, a high-speed local data communications network, and electronic workstations equipped with two high resolution graphic

displays and laser printers were interconnected on July 1, 1986, to enable system test and evaluation to begin in the testbed group.

On-line access to the full-text of all U.S. patents granted after 1974 and then to English language abstracts of Japanese patents was deployed to the patent examining staff beginning in 1986. On-line access to APS-Text permits examiners to search the text of approximately one million U.S. patents containing more than five billion words. Today, all examiners have been trained in the use of the full-text searching tool, and it has become a routine part of the patent examination process for many examiners. Searches are conducted from approximately 71 single screen text terminals located throughout the Office. The APS-Text capability was deployed to the public in the Patent Search Room on April 3, 1989.

The Office intends to enter the text of virtually all U.S. patents issued after 1970. In addition, selected tubular data and chemical and mathematical equations will be added to the current full text file. Ultimately, approximately 1.2 million U.S. patents will be available to both patent examiners and the public for search in full text form.

Public evaluation of the APS full-text search capability was conducted between January 11 and April 15, 1988. Forty-two (42) public users were trained an APS-Text during January 1988, and allowed first-come/first-serve access to several terminals. Reactions of public users to APS-Text were positive. Public users found APS-Text useful for pre-application and state-of-the-art searches.

A total of 38 public users were trained on T-Search during a public evaluation period conducted between June and December 1988. Preliminary review indicated that public users considered T-Search to be useful both as a source for registrability searching and for verifying paper searches. In addition, T-Search was found to facilitate searches by class and ownership.

Pub. L. 100-703, enacted on November 19, 1988, allows the Commissioner to establish reasonable fees for public access to the automated search systems while it continues the requirements that no more than 30 percent of automation resources may be from user fees and that the Office may not enter into exchange agreements relating to automatic data processing resources.

Section 104(c) of Pub. L. 100-703 allows the Commissioner to waive the payment by an individual of fees for accessing the automated search systems upon a showing of need or hardship, and if such waiver is in the public interest.

The information contained in the automated data bases, which will be available to the public at the Patent and Trademark Office in Arlington, Virginia, is available free of charge at that location in paper form, and is substantially available through commercial vendors. The Office believes it to be in the public interest to waive the fee for public access to its text data bases in situations where access to the data base is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user.

A personal, educational purpose is one in which the person using the data base is attempting to satisfy a personal need, and is not conducting a search or otherwise using the data base for compensation in any form. Examples of appropriate waiver situations would include students or teachers doing a term paper, a university professor collecting background information for the preparation of an application for a research grant. An example of a situation where a waiver would not be appropriate would include an individual doing work for remuneration — e.g., a law student doing a pre-examination or infringement search for a law firm.

The Commissioner will further consider a fee waiver based on a genuine financial hardship. The person requesting a waiver will be required to provide information that would demonstrate a clear inability to pay the fee.

A waiver for the payment of fees is intended to be granted sparingly, and generally only when terminals are available. It is not anticipated that fees will be waived for any one individual more than once or twice each year. The Commissioner reserves the authority to control access to the data bases and deny a waiver to any individual.

The waiver policy would apply only to use of the automated system, and not to the printing or sale of copies. Any abuse of the waiver policy could lead to a ban on the use of any public search facility for that individual.

Cost Calculations: The Office calculated unit costs for all fees based on OMB Circular A-25 "User Fees", and OMB Circular A-130, "Management of Federal Information Resources." Costs were determined from the best available records (for example, financial statements for the Office) and included direct and indirect costs to the Office of carrying out the activity, as directed by OMB Circular A-25. User charges for both APS-Text and T-Search were based on the marginal costs of providing these services to the public.

In calculating the costs of providing access to T-Search and APS-Text to the public, the Office followed Congressional direction that fees be reasonable by reflecting the marginal cost for providing the new service and not include the costs of designing or installing the automated system for use by Office examiners, or the development of the new systems.

Prior to preparation of this final rule, all of the cost assumptions and cost calculations were reviewed and modified to ensure that they included the Office's best estimates and projections.

APS-Text

The Office is establishing the \$40.00 fee for each hour of terminal session time on APS-Text. The marginal costs for one hour terminal session time on APS-Text include a portion of the lease cost of a new computer mainframe which originally was to be acquired in fiscal year 1990 for use by Office patent examiners. To meet public search requirements, the mainframe is being leased earlier than originally planned. That portion of lease costs for the three (3) month period March 1990 through May 1990 over and above the lease costs for a mainframe sized to meet only examiner needs is being passed on to the user. After May 1990, the mainframe was intended to be procured and installed to support APS. Therefore, no costs are being passed on to the public user after that time. When public usage reaches the level where a mainframe dedicated for public use is required, fee adjustments will be proposed to pass all of the costs of that mainframe on to the public.

The level of public use will affect the amount of main memory needed to support the additional search sessions. It is projected that an additional increment of main memory will be required in fiscal years 1991 and 1992. This increment would not be required to support the examiner workload alone.

The fee calculations for public access also include the costs for equipment: network interface units, text terminals, printer noise dampeners and text terminal printers.

Other costs include a portion of the license fees that must be paid to Chemical Abstracts Service for its proprietary text and structure search software; additional personnel for the Patent Search Room, and the Office of Information Systems; computer installation costs; supplies and equipment dedicated to public use; and general and administrative overhead.

The Office is providing free access time during training on the automated search systems in accordance with ? 104(c) of Public Law 100-703 which reads: "...a limited amount of free access shall be made available to all users of the systems for purposes of education and training."

The usage rate estimates are based on the three-month public user study performed from January through March 1988. For this study, 42 frequent Patent Search Room users were selected to be trained in the use of APS-Text. Three text terminals were made available to the trained public users at no charge. During the three-month study period, use of the three terminals averaged approximately 50 percent. While it is impossible to accurately predict future use by a more diverse group of public users, the cost calculations attempted to take into account the following factors and assumptions:

1. Future public users, on average, would use APS-Text less frequently than the 42 frequent users selected for the 1988 study, many of whom routinely used commercially available automated text search tools.

2. Collection of a fee for use (as opposed to the absence of any charge during the study) would reduce demand for text search services when compared with usage data obtained during the study period.

3. The potential universe of public users is expected to average no more than 300 per day.

4. The average length of a public user search session is projected to be approximately 22 minutes — the average length of a search session during the 1988 test of public use.

5. Based on the preceding assumptions, if all 300 potential public users conducted a single search session during a workday, a total of 110 hours of access would be required. Twenty-five text terminals available five days a week, twelve hours a day, would provide a maximum potential of 300 hours of available text search time. Under these assumptions, the number of text terminals appeared to be adequate for the foreseeable future.

6. For purposes of actual use of available text terminals, the following estimates were used:

(a) In fiscal year 1990, between four (4) and six (6) terminals would be available during the first quarter. An estimate of 45 percent utilization of available text terminal time was projected. By increasing the number of text terminals to 10 in January 1990 and 20 in April 1990, an estimate of 40 percent utilization of available text terminal time was projected. By increasing the number of text terminals to 25 in July 1990, an estimate of 35 percent utilization of available text terminal time was projected.

(b) During fiscal year 1991 and beyond, stable levels of usage were projected to be achieved, yielding an estimated 35 percent average utilization of the 25 available terminals. This utilization rate equates to 105 session hours per day, or an average of 4.2 session hours per terminal per day. At an average of 22 minutes per session, a total of 286 search sessions per day. Although usage rates since the system was made available to the public in April 1989 have been higher than projected, the Office believes these projections are valid for the three-year fee cycle.

A summary of the fee calculations is as follows:

APS-Text Marginal Cost of One-Hour of Terminal Session Time (December 1989-November 1992)

<u>Cost Element</u>	<u>Public Share (Marginal Cost)</u>
Personnel: Compensation and Benefits	\$ 918,196
Hardware & Maintenance	\$ 691,289
Software (license fees)	\$ 295,676
Site Preparation	\$ 38,118
Non-capital Furniture	\$ 8,750
Supplies & Forms	\$ 3,500
Sub-Total	\$ 1,955,529
General & Administrative Overhead	\$ 361,773
TOTAL COST	\$ 2,317,302
Estimated Use (hours)	65,946
UNIT COST (per hour)	\$ 35.14

The marginal cost for one hour of Office staff search assistance on APS-text includes the costs of personnel compensation and benefits.

A summary of the fee calculation is as follows:

APS-Text Marginal Cost of One-Hour of Office Staff Search Assistance (December 1989-November 1992)

<u>Cost Element</u>	<u>Public Share (Marginal Cost)</u>
Personnel:	
Annual Compensation and Benefits	
TOTAL COST	\$ 45,659
Work Hours (per annum)	1,776
UNIT COST (per hour)	\$ 25.71

The marginal cost for a printed copy generated from APS-Text includes costs for compensation and benefits, printers, furniture for the printers, supplies and forms, and general and administrative overhead. A summary is as follows:

APS-Text
Marginal Cost of
Each Printed Page
 (December 1989-November 1992)

<u>Cost Element</u>	<u>Public Share</u> <u>(Marginal Cost)</u>
Personnel: Compensation and Benefits	\$ 173,472
Hardware & Maintenance	\$ 13,483
Non-capital Furniture	\$ 5,000
Supplies & Forms	\$ 35,882
Sub-Total	\$ 227,837
General & Administrative Overhead	\$ 42,150
TOTAL COST	\$ 269,987
Estimated Use (pages)	4,496,325
UNIT COST (per page)	\$0.060

T-Search

The marginal cost for one hour of terminal session time on T-Search includes the costs of personnel in the Trademark Search Library, maintenance of the T-Search terminals, routine site preparation, supplies and forms, and general and administrative overhead. The Office is establishing the \$40.00 fee for each hour of terminal session time on T-Search, but is immediately suspending collection of that fee in order to provide public users additional time to familiarize themselves with the system.

The comments submitted in response to the proposed rule-making indicate that the public users have not adequately adjusted to the T-Search system. During the period collection of the fee is suspended, the public will have an opportunity to better learn the system so as to perform more effective searches than they may be experiencing now. The Office will publish a notice in the *Federal Register* sixty days before it begins collecting a fee for public access to T-Search.

Usage rates for T-Search during fiscal years 1990-1992 were projected to be 28 percent of the hours the system would be available to the public. This rate was extrapolated from actual usage rates during the T-Search public user pilot program which was conducted from June through December 1988. A total of 38 members of the public were trained on T-Search, and about 24 to 28 public users were active on T-Search each month. The overall usage rate of these active users was 14 percent of the hours the system was available to the public. In projecting usage rates on which to base a fee amount, it was anticipated that the overall number of users and the usage rate would double once T-Search was made available in the Trademark Search Library to all users of that search facility and training was provided on a routine basis. Although usage rates since the system was made available to the public in April 1989 have been higher projected, the Office believes these projections are valid for the three-year fee cycle.

A summary of the fee calculations are as follows:

T-Search
Marginal Cost of One-Hour of
Terminal Session Time
 (December 1989-November 1992)

<u>Cost Element</u>	<u>Public Share</u> <u>(Marginal Cost)</u>
Personnel: Compensation and Benefits	\$ 154,451
Hardware & Maintenance	\$ 28,809
Site Preparation	\$ 1,000
Supplies & Forms	\$ 3,298
Sub-Total	\$ 187,558
General & Administrative Overhead	\$ 34,698
TOTAL COST	\$ 222,256
Estimated Use (hours)	5,985
UNIT COST (per hour)	\$ 37.14

The marginal cost for a printed copy generated from T-Search includes costs for compensation, and supplies and forms.

A summary of the costs is as follows:

T-Search
Marginal Cost of
Each Printed Page
 (December 1989-November 1992)

<u>Cost Element</u>	<u>Public Share</u> <u>(Marginal Cost)</u>
Personnel: Compensation and Benefits	\$ 27,862
Hardware & Maintenance	\$ 5,274
Supplies & Forms	\$ 3,579
Sub-Total	\$ 36,715
General & Administrative Overhead	\$ 6,792
TOTAL COST	\$ 43,507
Estimated Use (pages)	448,875
UNIT COST (per page)	\$ 0.097

The proposed fee of \$25.00 for each hour of Office staff search assistance to conduct a search using T-Search has been withdrawn. The T-Search system can be used by the public with routine assistance provided by the regular staff of the Trademark Search Library. This is similar to assistance on how to use the paper files now provided free of charge by the Trademark Search Library staff. Office employees will neither work one-on-one with members of the public in conducting searches, nor conducted searches for members of the public.

Rounding Procedures: Fee amounts were rounded so that the amount rounded would be de minimis and convenient to the user. This procedure is consistent with section 103(b) of Pub. L. 100-703 which allows the Office to adjust patent fees in the aggregate, and with section 103(a) of Pub. L. 100-703 which allows the Office to adjust trademark fees in the aggregate.

The Office has detailed cost calculation worksheets for each fee item, which are available for public inspection in Suite 904 of Building 2, Crystal Park at 2121 Crystal Drive, Arlington, Virginia.

PROCEDURES FOR PUBLIC USE OF
APS-TEXT AND T-SEARCH

Patent Search Room Configuration

Initially four (4) text search terminals will be installed and available for public use in the Patent Search Room. A printer will be associated with each text search terminal. An additional terminal will be located in Patent Search Room employee office space for control and administrative activities. Up to twenty-one (21) more terminals and printers are planned to be added for public use during fiscal year 1990, if necessary.

Trademark Search Library Configuration

Initially three (3) T-Search terminals with associated printers all be installed and available for public use in the Trademark Search Library. The terminals will be clustered in one area of the Trademark Search Library. An additional terminal will be located in Trademark Search Library employee office space for control and administration activities. Additional terminals and printers will be added as demand warrants and space permits.

Training

To enable prospective public users to become effective on APS-Text, approximately fourteen (14) hours of free basic training is being offered. For those familiar with automated search systems, a shorter course of six (6) hours is provided. Ten (10) members of the public can be trained during each class. Training is being held at the Office's Arlington, Va. complex during normal work hours.

Four (4) hours of basic training is being offered on the use of T-Search. For those familiar with automated search systems, a shorter course of one (1) hour is available. T-Search training is being held in the Office's Arlington, Va. complex during morning, evening and weekend hours.

Enrollment in all training classes initially was on a lottery basis. Public users who wished to be trained on APS-Text or T-Search were required to submit an application form. The Office is now accepting requests for training and adding the names to the list. As of August 31, 1989, 696 people or 70 percent of all those requesting training have been trained.

System Use and Fee Procedures

To ensure equity of public access to the automated systems, as well as efficient operations, rules for use will be posted at the terminals. Users of the systems will be expected to comply with the rules and with all other regulations regarding the use of facilities.

Users are strongly encouraged to register in advance for system use. Each week, the next week's schedule will be available in the Patent Search room and the Trademark Search Library. Should requests for blocks of terminal time exceed the availability of terminals, limits on the amount of reserved time may be instituted. Up to three (3) of the initial four (4) terminals in the Patent Search Room and up to two (2) of the initial three (3) terminals in the Trademark Search Library will be allocated to public users with advance reserved times. The remaining terminal in the Patent Search Room will be available for walk-up users and for assisted searches for infrequent users. The remaining terminal in the Trademark Search Library will be available for walk-up users. The terminal time reservation system and the number of terminals available for walk-up public use and for assisted searches (in the Patent Search Room) is subject to change based upon operational experience.

All public use of APS-Text and T-Search, with the exception of scheduled training classes, is on a pre-payment basis. In pre-paying for use of the systems, the public may use a blank signed check, major credit card or charge to a deposit account. At the end of the search or the pre-paid amount of time, users will receive an accounting from Patent Search Room or Trademark Search Library staff for terminal time used and prints produced. The user must then finalize payment.

Discussion of Specific Rules

37 CFR 1.21 Miscellaneous fees and charges.

Section 1.21 is amended to add new paragraph (o) to set the fees for access to the Automated Patent System full-text search capability (APS-Text) and to provide for the waiver of fees under certain circumstances.

Section 1.21 is amended to add new paragraph (p) to set the fees for APS-Text search assistance by Office staff.

Section 1.21 is amended to add new paragraph (q) to set the fee for a printed copy from APS-Text.

37 CFR 2.6 Trademark fees

Section 2.6 is amended to add new paragraph (w) to set the fees for access to the automated trademark search system (T-Search) and to provide for the waiver of fees under certain circumstances.

Section 2.6 is amended to add new paragraph (x) to set the fee for a printed copy from T-Search.

A final rule package establishing two new fees under the provisions of Pub. L. 100-667, the Trademark Law Revision Act of 1988, has been published which added paragraphs (u) and (v) to section 2.6. Therefore, the rule has been modified from the proposal to add paragraphs (w) and (x) instead of paragraphs (u), (v) and (w).

Response to Comments on the Rules

A notice of proposed rulemaking to establish a basis for the charges for use of the on-line automated search systems in the Patent Search Room and Trademark Search Library located at the Patent and Trademark Office in Arlington, Virginia was published in the *Federal Register* on May 3, 1989, at 54 FR 18907. Corrections were published in the *Federal Register* on May 12, 1989, at 54 FR 20670. A notice also was published on May 30, 1989, in volume 1102 of the *Official Gazette* of the United States Patent and Trademark Office, pages 94 through 98 for patents, and pages 96 through 100 for trademarks.

A public hearing was conducted on June 30, 1989. A total of 25 comments were received: 24 respondents submitted written comments and five people presented oral testimony (four of whom also submitted written comments) at the public hearing. On the 25 comments, twelve (12) were from individuals, seven (7) from libraries, five (5) from organizations and one (1) from business. All of the written and oral comments were considered in adopting the rules set forth herein.

Many of the comments from the representatives of the Patent Depository Libraries raised questions or commented on the proposed rules from the perspective of their impact on Patent Depository Libraries. The proposed rules and policies set forth in the *Federal Register* Notice of May 3, 1989 are applicable only to the automated search systems provided in PTO's facilities located in Arlington, Virginia. When the Office is prepared to offer the automated search systems at the Patent Depository Libraries, a proposed notice will be published for public comment. Therefore, any comments relating to procedures for accessing the automated search systems in the Patent Depository Libraries will not be addressed at this time.

Comment: Overall, nine respondents acknowledged the usefulness of the automated search systems, particularly APS-Text. Although seven respondents alleged that T-Search is not adequate to meet the needs of the public, that its response time is too slow, and that it is not sufficiently accurate to meet the specific needs of the commentator, most of these respondents acknowledged that T-Search had the potential for being a useful tool. Documentation of specific problems, for example, those associated with conducting a phonetic search, were provided. Two respondents said that T-Search is flawed and the decision to require examiners to use the system on an exclusive basis was ill-advised and regrettable.

Response: Trademark examining attorneys have been using T-Search for word mark searches since August 1987, and for word mark and design searches since January 1988. The public has been using the system since April 3, 1989.

The minutes to the September 27, 1988, meeting of the Public Advisory Committee for Trademark Affairs, express the view that: "...T-Search searches are more thorough than manual searches." The transcript to that meeting contains the following comments: "I don't think there is any question, but a T-Search [sic] properly done gives an excellent result" and "...from the corporate point of view, ... I am pleased to say that I like what I see. I like the very fast action we're getting on the first action." From the transcript to the February 23, 1988 meeting: "I'd like to start with a glowing report. I think that the registration process is working very well. From my own personal experience in terms of what the examiners are doing, they get an A plus. They're really doing a good job."

The consensus of the management of the Trademark Examining Operation is that the T-Search system meets the needs of the Office at this time. There is no indication in any records or activities in the PTO which would indicate that the use of T-Search has caused a deterioration in the quality of searches conducted by Trademark examining attorneys.

The difference between the perceptions of the Trademark examining attorneys and the public may be attributed to several factors; Trademark examining attorneys use the system on a daily basis; they know what the system can do and what it cannot do and avoid the latter; and they know how to utilize the system's functionalities to perform the best search possible. Further, Trademark examining attorneys do different types of searches, and have different needs, than the public. T-Search use statistics for the period April 1989 through August 1989 demonstrate that the public is making extensive use of the system. Following is a summary of those statistics:

Month	Available Hours	Hours Used By Public	Rate of Usage	Average Session Time
April	513	108	21%	13.02 min.
May	513	126	24%	12.25 min.
June	627	183	29%	10.84 min.
July	570	186	33%	12.51 min.
August	656	217	33%	9.66 min.

This usage rate compares favorably to the projected usage rate of 28 percent.

Comment: Seven respondents claimed that the paper Trademark files have been allowed to deteriorate and, therefore, are not reliable for use by the public.

Response: The Office contracts for file maintenance services in both the Trademark Search Library and the Patent Search Room. Among the tasks performed by the contractor in the Trademark Search Library are maintaining the pending files, filing newly registered Trademarks, pulling erroneous registrations from the file, etc. The contract for the Trademark Search Library includes a monitoring system based on MIL-STD 105, which is a sampling plan that provides a 97 percent accuracy level. Once the contractor completes a task, Office staff check the required sample levels to ensure that filing was performed accurately. The Office is constantly monitoring the status of the paper files, but notes that maintenance of paper file integrity is subject to inherent limitations.

Comment: In view of the above comments about the inadequacy of the Trademark paper search files and T-Search, six respondents advocated the need for T-Search, at no charge to the user, as an adjunct or back-up to the paper files. One respondent suggested a similar arrangement in the Patent Search Room.

Response: The Office has adopted the \$40.00 fee amount for one hour of terminal session time on both APS-Text and T-Search. In order to give the public more time to become familiar with the T-Search system, the Commissioner is immediately suspending collection of that fee. This will enable users to learn the system so as to perform more effective searches. The Office will publish a notice in the *Federal Register* announcing its decision regarding the imposition of the fee at least 60 days before starting to collect the fee amount. At that time, the Office also will publish validated cost estimates based on usage rates and actual costs documented from the present time to the time the decision to collect a fee is made.

Comment: Two respondents claimed that the objective of automation necessarily contemplated a free search system to give meaning to the constructive notice provisions of the Trademark Act.

Response: Registration of a trademark constitutes constructive notice and records of all active trademark registrations and pending applications are available for searching free of charge in the paper file and on TRAM (Trademark Reporting and Monitoring System) data base.

Comment: One respondent claimed that PTO is required to provide access to disclosed patent information as the information is made public; four respondents were opposed to the Office charging fees for accessing the automated search systems; two other respondents commented that the Office should not charge fees for using systems designed to be the sole searching source of the public records which the Office is charged by law to provide; and one respondent commented that the proposal to limit access to the automated data bases only to those who can pay a fee is deplorable policy at a time when there is concern about industrial competitiveness with Japan.

Response: The Office will continue to make the paper and/or microfilm collections of U.S. patents, foreign patent documents and U.S. trademark registrations available for public access free of charge. The Office also has adopted a policy whereby the hourly terminal session fee for access to the data base can be waived when it is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user. In this way, the Office will continue to provide public access to all available information free of charge.

Comment: One respondent commented that user fees for electronic data is a form of dual taxation when information was gathered, organized and produced at taxpayers expense; and two respondents claimed that users of information have contributed up to 30 percent of the \$120 million for development of the APS system to date — in other words, the public already has paid for APS.

Response: In calculating the proposed fees, the Office is consistent with the Office of Management and Budget's proposed policy on user charges for Government information products, as clarified in the June 15, 1989 *Federal Register* notice entitled "Second Advance Notice of Further Policy Development on Dissemination of Information." In that notice, OMB's stated policy is that user charges for Government Information

products should be no higher than a level sufficient to recover the costs of disseminating, not collecting, the information.

The costs associated with the fees for accessing APS-Text and T-Search are directly related to the public's use of the systems; for example, the costs associated with the acquisition of the APS-Text terminals that are being used by the public. No costs associated with designing or installing the automated system for use by Office examiners, or the development of the new systems have been included. Neither have costs been included for gathering, organizing or producing information.

The *Federal Register* notice of June 15, 1989 (54 FR 25554, 25558) dealing with policy development on dissemination of information states that: "As to double taxation, OMB notes that user charges policy has a basis in statute (31 U.S.C. 9701), and the Congress has not viewed user charges as double taxation because they are applied when the recipient receives special benefits."

Comment: Two respondents stated that Government information is the same, whether it is provided in printed or electronic form.

Response: Charging fees for access to the automated search systems is consistent with PTO's fee policy. For example, fees are charged for manual search services (e.g., for a search of Office records or for a search of assignment records), and for printed copies of patents and trademarks and for copies of Office documents.

Comment: The Japanese system is available at four locations at no cost, and includes U.S. information made available at U.S. taxpayer expense.

Response: The Japanese automated search system, like the automated search systems in the PTO's search facilities, is being made available free of charge at the present time. The costs of such use, however, are being paid from general fee revenues collected by the Japanese Patent Office. Additionally, the APS-Text system currently includes Japanese English language abstracts and the Office is in the process of acquiring Japanese patent information in digital facsimile form.

Comment: One respondent commented that PTO has no responsibility to provide an expensive, complex, internal Government on-line value-added computer service, that this is far beyond the requirements of public access to patent files; and another respondent commented that it is in the public interest to have the same system that is being used by the examiners also available to the public.

Response: The Office agrees that it is in the public interest to provide the same search system capability to the public that is being used by the examiners.

Comment: One respondent stated that providing free access is not competing with the private sector, and that there always is a place for the private sector to provide value-added information.

Response: The user charges adopted for public access to the APS-Text and T-Search systems are consistent with OMB Circulars A-25 "User Charges" and A-130 "Management of Federal Information Resources", and with the PTO's Electronic Data Dissemination Policies and Guidelines. The PTO's user's fees are designed to recover the marginal costs associated with providing access to the automated search systems to the public.

Comment: Five respondents stated that the proposed fees are not "reasonable" and the Office does not have documented cost estimates and usage rates to support the proposed fee amounts.

Response: The Office is meeting Congressional direction to establish "reasonable" fees by recovering only the marginal costs associated with providing public access to the automated search systems. Costs and projected usage rates were determined from the best available records, for example, financial statements for the Office and the results of the public evaluations of the APS-Text and T-Search systems. A summary of the costs used in the fee calculations is included above under "Cost Calculations." Full details of these cost calculations are available for public inspection at the Patent and Trademark Office in Suite 904 of Building 2, Crystal Park, at 2121 Crystal Drive, Arlington, Virginia.

Comment: Two respondents questioned the proposed fees for search assistance. If the search assistance is similar to that which is provided free now, there should be no fee. If the search assistance entails doing searches, the Office should not be getting into that business.

Response: The PTO is withdrawing the proposed fee for staff search assistance to conduct a search using T-Search capabilities. The fee for staff search assistance to conduct a search using APS-Text capabilities is being adopted, because an untrained user cannot conduct a search without significant help from Office staff. Users of course, have the option of obtaining free training on the system.

Comment: One respondent commented that user fees cannot be justified under the theory that electronic search provides a new service or offers an enhancement to the public's ability to search the patent data base, and that the public has an option of paying the fee or using the paper files. Another respondent commented that APS-Text and T-Search represent enhancements to services already provided.

Response: The fees are specifically authorized under \$ 104 (c) of Pub. L. 100-703 and are calculated to allow recovery of only the marginal cost for providing the system to the public.

Comment: Two respondents claimed that the Office should ask Congress for funding to offer free access here and at the PDLs.

Response: It continues to be PTO policy, consistent with OMB Circular A-130, that costs for access to the automated search systems be borne by those who actually use the automated search systems.

Comment: One respondent claimed that the accuracy of the trademark data base is suspect.

Response: All of the backfile data base elements (registrations issued prior to September 9, 1980) have been corrected except owner information. As originally planned, the owner field will be cleaned up the active registrations issued prior to September 9, 1980. It is projected that this owner field will be cleaned up by the third quarter of fiscal year 1991.

Comment: Three respondents claimed that the public requires access to the dead data base.

Response: The Office will consider this proposal further. The dead data base is now available in electronic format for all applications and registrations that were active on January 1, 1983 and are now inactive. However, many of these records are of poor quality. Costs for cleaning up these records would be significant, and those costs would likely be reflected in the T-Search user fee.

Comment: Four respondents addressed the fee waiver policy. The proposal to waive fee appears inconsistent with PTO's position that the free paper search files provide an equal and viable resource to anyone not wanting to pay for the automated files. If paper records are inferior, then anyone seeking access to T-Search should be able to qualify for the fee waiver. If the paper records are adequate, then there should be no need to waive the access fee for anyone.

Response: The waiver policy authorized by Pub. L. 100-703 is designed for those individuals who, for some reason in the public interest, such as an educational purpose, need the capabilities of the automated system, for example, to manipulate the data.

Comment: One respondent commented that the procedure to enroll people in training classes by the use of a lottery was unfair and that everyone who wants to be trained should be enrolled.

Response: The lottery was a method for establishing the initial schedules to provide training. Everyone who requests training will be trained. As of August 31, 1989, 449 out of 623 people requesting training on APS-Text, and 247 out of 376 people requesting training on T-Search have been trained.

Comment: One respondent commented that advance registration is an unrealistic approach for many searchers.

Response: At least one terminal in the Patent Search Room and one in the Trademark Search Library will be available for walk-up users. The other terminals will be available first for users with a reservation and then, if needed, for walk-up users. The system is designed to ensure equity of public access to the automated systems.

Comment: Two respondents asked for information justifying that this is not a "Major Rule" as defined by Executive Order 12291, and that the rule will not have a significant adverse impact on small entities.

Response: The no "major rule" determination and no significant adverse impact on small entities was based on the fact that the automated systems are being offered only at the Patent and Trademark Office's public search facilities located in Arlington,

Virginia. The total number of users of these facilities averages less than 400 a day, and many of these users are members of law firms or commercial search services. The annual effect on the economy is expected to be about \$1 million, far less than the \$100 million annual threshold specified in the Executive Order. The fees for accessing the automated search systems are reasonable and should not burden small entities and, at the same time, the Office is continuing to maintain the paper search files which are available to the public free of charge. Finally, there should be no significant adverse effects on competition, because the systems are being offered only at one location, the Patent and Trademark Office in Arlington, Virginia, and the public may continue to use paper files without payment of any fee.

Comment: Five respondent commented that user fees burden small entities and run counter to a fundamental objective of the patent system which is to advance technology through dissemination of the technical information contained in patents.

Response: The Office does not believe that the fee amounts adopted will burden small entities or negatively impact the dissemination of technical information. The Office also will continue to maintain the paper search files using taxpayer funds, and provide access to the public free of charge. Further, the Office has adopted a fee waiver policy whereby the fee amount can be waived where access to the data base is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user. Full details are included above under "Background".

Comment: One respondent commented that the Office needs a policy to ensure that no user of the patent and trademark information is disenfranchised due to an inability to pay for the services necessary to its access.

Response: The Commissioner will consider a fee waiver for users with a genuine financial hardship.

Other Considerations:

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501, et seq. There are no information collection requirements relating to patent and trademark fee rules.

The Office has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rules make the Office's on-line, automated patent full-text search and trademark search systems available to the public at rates significantly less than commercial systems.

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Parts 1 and 2

37 CFR Part 1

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Reporting and record keeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble, the Office is proposing to amend Title 37 of the code of Federal Regulations, Chapter 1, as set forth below.

PART 1-RULES OF PRACTICE IN PATENT CASES.

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.21 is amended by adding new paragraphs (o)-(q).

\$1.21 Miscellaneous fees and charges.

* * * * *

(o) Marginal cost, paid in advance, for each hour of terminal session time, including print time, using Automated Patent System full-text search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to the Automated Patent System full-text search capability (APS-Text) upon a showing of need or hardship, and if such waiver is in the public interest \$40.00

(p) Marginal cost, paid advance, for each hour of Office staff search assistance to conduct a search using Automated Patent System full-text search capabilities (APS-Text), prorated for the actual time used \$25.00

(q) Marginal cost, for each printed page generated from the Automated Patent System text terminal \$0.10

PART 2- RULES OF PRACTICE IN TRADEMARK CASES

1. The authority citation for Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is amended by adding new paragraphs (w)-(x).

\$2.6 Trademark fees

* * * * *

(w) Marginal cost, paid in advance, for each hour of terminal session time, including print time, using T-Search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to T-Search upon a showing of need or hardship, and if such waiver is in the public interest \$40.00

(x) Marginal cost, for each printed page generated from the T-Search terminal \$0.10

Dec. 4, 1989

JEFFREY M. SAMUELS
*Acting Commissioner of Patents
and Trademarks*

[1110 O.G. 601]

(54) **DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Part 2**

Patent and Trademark Automated Search System Fees

Agency: Patent and Trademark Office, Commerce

Action: Listing of suspension of final rule

Summary: The Patent and Trademark Office (Office), on December 11, 1989, amended the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, setting forth the fees for public access to the Office's text data bases: the Automated Patent System (APS) and the automated trademark search system (T-Search). 54 FR 50942. That final rule became effective on February 12, 1990. On that date, 37 CFR 2.6(w), dealing with T-Search fees, took effect, but was immediately suspended by the Commissioner.

The collection of the fee was initially suspended to permit users to become familiar with the T-Search system. The T-Search system has been available to the public since April 1989, a sufficient time for users to become familiar with the system. Therefore, as provided in the final rule, the Office now gives notice that the suspension is lifted. The Office will begin to collect the fees set forth in 37 CFR 2.6(w) sixty (60) days from the date of this notice. Cost estimates based on usage and actual costs are available for inspection in the Office of Long-Range Planning and Evaluation, Room 507, Crystal Park 1, Crystal Drive, Arlington, Virginia.

Dates: The suspension of 37 CFR 2.6(w) is lifted as of Nov. 13, 1990. The collection of fees under 37 CFR 2.6(w) will begin on November 13, 1990

For Further Information Contact: Frances Michalkewicz by telephone at (703) 557-1610 or by mail to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

September 4, 1990

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1119 O.G. 6]

Dec.12, 1980
[H.R. 6933]

(55)

**Public Law 96-517
96th Congress
An Act**

*Patent and
trademark laws,
amendment.*

To amend the patent and trademark laws.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assemble That title 35 of the United States Code, entitled "Patents", is amended by adding after chapter 29 the following new chapter 30:

**"CHAPTER 30-PRIOR ART CITATIONS TO OFFICE AND
REEXAMINATION OF PATENTS**

"Sec.

"301. Citation of prior art.

302. Request for reexamination.

303. Determination of issue by Commissioner.

304. Reexamination order by Commissioner.

305. Conduct of reexamination proceedings.

306. Appeal.

307. Certificate of patentability, unpatentability,
and claim cancellation.

35 USC 301.

"\$301. Citation of prior art

Any person at any time may cite to the Office in writing prior art consisting of patents or printed publications which that person believes to have a bearing on the patentability of any claim of a particular patent. If the person explains in writing the pertinency and manner

of applying such prior art to at least one claim of the patent, the citation of such prior art and the explanation thereof will become a part of the official file of the patent. At the written request of the person citing the prior art, his or her identity will be excluded from the patent file and kept confidential.

“§ 302. Request for reexamination

35 USC 302.

“Any person at any time may file a request for reexamination by the Office of any claim of a patent on the basis of any prior art cited under the provisions of section 301 of this title. The request must be in writing and must be accompanied by payment of a reexamination fee established by the Commissioner of Patents pursuant to the provisions of section 41 of this title. The request must set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested. Unless the requesting person is the owner of the patent, the Commissioner promptly will send a copy of the request to the owner of record of the patent.

Fee

“§ 303. Determination of issue by Commissioner

35 USC 303.

“(a) Within three months following the filing of a request for reexamination under provisions of section 302 of this title, the Commissioner will determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request, with or without consideration of other patents or printed publications. On his own initiative, and any time, the Commissioner may determine whether a substantial new question of patentability is raised by patents and publications discovered by him or cited under the provisions of section 301 of this title.

“(b) A record of the Commissioner’s determination under subsection (a) of this section will be placed in the official file of the patent and a copy promptly will be given or mailed to the owner of record of the patent and to the person requesting reexamination, if any.

Record.

“(c) A determination by the Commissioner pursuant to subsection (a) of this section that no substantial new question of patentability has been raised will be final and non-appealable. Upon such a determination, the Commissioner may refund a portion of the reexamination fee required under section 302 of this title.

Refund

“§ 304. Reexamination order by Commissioner

35 USC 304.

“If, in a determination made under the provisions of subsection 303(a) of this title, the Commissioner finds that a substantial new question of patentability affecting any claim of a patent is raised, the determination will include an order for reexamination of the patent for resolution of the question. The patent owner will be given a reasonable period, not less than two months from the date a copy of the determination is given or mailed to him, within which he may file a statement on such question, including any amendment to his patent and new claim or claims he may wish to propose, for consideration in the reexamination. If the patent owner files such a statement, he promptly will serve a copy of it on the person who has requested reexamination under the provisions of section 302 of this title. Within a period of two months from the date of service, that person may file and have considered in the reexamination a reply to any statement filed by the patent owner. That person promptly will serve on the patent owner a copy of any reply filed.

Filing period

“§ 305. Conduct of reexamination proceedings

35 USC 305.

“After the times for filing the statement and reply provided for by section 304 of this title have expired, reexamination will be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133 of this title. In any reexamination proceeding under this chapter, the patent owner will be permitted to propose any amendment to his patent and a new claim or claims thereto, in order to distinguish the invention as claimed from the prior art cited under the provisions of section 301 of this title, or in response to a decision adverse to the patentability of a claim of a patent. No proposed amended or new claim enlarging the scope of a claim of the patent will be permitted in a reexamination proceeding under this chapter. All reexamination proceedings under this section, including any appeal to the Board of Appeals, will be conducted with special dispatch within the Office.

35 USC 132,133.

“§ 306. Appeal

35 USC 306.

“The patent owner involved in a reexamination proceeding under this chapter may appeal under the provisions of section 134 of this title, and may seek court review under the provisions of sections 141 to 145 of this title, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent.

35 USC 134.
35 USC141-145.

“§ 307. Certificate of patentability, unpatentability, and claim cancellation

35 USC 307.

“(a) In a reexamination proceeding under this chapter, when the time for appeal has expired or any appeal proceeding has terminated, the Commissioner will issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and incorporating in the patent any proposed amended or new claim determined to be patentable.

“(b) Any proposed amended or new claim determined to be patentable and incorporated into a patent following a reexamination proceeding will have the same effect as that specified in section 252 of this title for reissued patents on the right of any person who made,

35 USC 252.

purchased, or used anything patented by such proposed amended or new claim, or who made substantial preparation for the same, prior to issuance of a certificate under the provisions of subsection (a) of this section.”

SEC. 2. Section 41 of title 35, United States Code, is amended to read as follows:

35 USC 41.

§ 41. Patent fees

“(a) The Commissioner of Patents will establish fees for the processing of an application for a patent, from filing through disposition by issuance or abandonment, for maintaining a patent in force, and for providing all other services and materials related to patents. No fee will be established for maintaining a design patent in force.

“(b) By the first day of the first fiscal year beginning on or after one calendar year after enactment of this Act, fees for the actual processing of an application for a patent, other than for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 25 per centum of the estimated average cost to the Office of such processing. By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for the processing of an application for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 50 per centum of the estimated average cost to the Office of such processing.

“(c) By the fifteenth fiscal year following the date of enactment of this Act, fees for maintaining patents in force will recover 25 per centum of the estimated cost to the Office, for the year in which such maintenance fees are received, of the actual processing all applications for patents, other than for design patents, from filing through disposition by issuance or abandonment. Fees for maintaining a patent in force will be due three years and six months, seven years and six months, and eleven years and six months after the grant of the patent. Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an applicable maintenance fee.

35 USC 13.

“(d) By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for all other services or materials related to patents will recover the estimated average cost to the Office of performing the service or furnishing the material. The yearly fee for providing a library specified in section 13 of this title with uncertified printed copies of the specifications and drawings for all patents issued in that year will be \$50.

Waiver.

“(e) The Commissioner may waive the payment of any fee for any service or material related to patents in connection with an occasional or incidental request made by a department or agency of the Government, or any officer thereof. The Commissioner may provide any applicant issued a notice under section 132 of this title with a copy of the specifications and drawings for all patents referred to in that notice without charge.

35 USC 132.

Notice.

“(f) Fees will be adjusted by the Commissioner to achieve the levels of recovery specified in this section; however, no patent application processing fee or fee for maintaining a patent in force will be adjusted more than once every three years.

“(g) No fee established by the Commissioner under this section will take effect prior to sixty days following notice in the Federal Register.”

35 USC 42

SEC. 3. Section 42 of title 35, United States Code, is amended to read as follows:

§ 42. Patent and Trademark Office funding

“(a) All fees for services performed by or materials furnished by the Patent and Trademark Office will be payable to the Commissioner.

“(b) All fees paid to the Commissioner and all appropriations for defraying the costs of the activities of the Patent and Trademark Office will be credited to the Patent and Trademark Office Appropriation Account in the Treasury of the United States, the provisions of section 725e of title 31, United States Code, notwithstanding.

“(c) Revenues from fees will be available to the Commissioner of Patents to carry out, to the extent provided for in appropriation Acts, the activities of the Patent and Trademark Office.

“(d) The Commissioner may refund any fee paid by mistake or any amount paid in excess of that required.”

Refund.Notice.

SEC. 4. Section 154 of title 35, United States Code, is amended by deleting the word “issue”.

SEC. 5. Section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), is amended to read as follows:

“§ 31. Fees

“(a) The Commissioner of Patents will establish fees for the filing and processing of an application for the registration of a trademark or other mark and for all other services performed by and materials furnished by the Patent and Trademark Office related to trademarks and other marks. Fees will be set and adjusted by the Commissioner to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost to the Office of performing the service or furnishing the material. However, no fee for the filing or processing of an application for the registration of a trademark or other mark or for the renewal or assignment of a trademark or other mark will be adjusted more than once every three years. No fee established under this section will take effect prior to sixty days following notice in the Federal Register.

Waiver.

"(b) The Commissioner may waive the payment of any fee for any service or material related to trademarks or other marks in connection with any occasional request made by a department or agency of the Government, or any officer thereof. The Indian Arts and Crafts Board will not be charged any fee to register Government trademarks of genuineness and quality for Indian products or for products of particular Indian tribes and groups."

Indian Products,
exception.

SEC. 6. (a) Title 35 of the United States Code, entitled "Patents", is amended by adding after chapter 37 the following new chapter 38:

"CHAPTER 38-PATENT RIGHTS IN INVENTIONS MADE WITH FEDERAL ASSISTANCE

- "Sec.
- "200. Policy and objective.
- "201. Definitions.
- "202. Disposition of rights.
- "203. March-in rights.
- "204. Preference for United States industry.
- "205. Confidentiality.
- "206. Uniform clauses and regulations.
- "207. Domestic and foreign protection of federally owned inventions.
- "208. Regulations governing Federal licensing.
- "209. Restrictions on licensing of federally owned inventions.
- "210. Precedence of chapter.
- "211. Relationship to antitrust laws.

"§ 200. Policy and objective.

35 USC 200.

"It is the policy and objective of the Congress to use the patent system to promote the utilization of inventions arising from federally supported research or development; to encourage maximum participation of small business firms in federally supported research and development efforts; to promote collaboration between commercial concerns and nonprofit organizations, including universities; to ensure that inventions made by nonprofit organizations and small business firms are used in a manner to promote free competition and enterprise; to promote the commercialization and public availability of inventions made in the United States by United States industry and labor; to ensure that the Government obtains sufficient rights in federally supported inventions to meet the needs of the Government and protect the public against nonuse or unreasonable use of inventions; and to minimize the costs of administering policies in this area.

"§ 201. Definitions

35 USC 201.

"As used in this chapter—

"(a) The term 'Federal agency' means any executive agency as defined in section 105 of title 5, United States Code, and the military departments as defined by section 102 of title 5, United States Code.

"(b) The term 'funding agreement' means any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal Government. Such term includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as herein defined.

"(c) The term 'contractor' means any person, small business firm, or nonprofit organization that is a party to a funding agreement.

"(d) The term 'invention' means any invention or discovery which is or may be patentable or otherwise protectable under this title.

"(e) The term 'subject invention' means any invention of the contractor conceived or first actually reduced to practice in the performance of work under a funding agreement.

"(f) The term 'practical application' means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are to the extent permitted by law or Government regulations available to the public on reasonable terms.

"(g) The term 'made' when used in relation to any invention means the conception or first actual reduction to practice of such invention.

"(h) The term 'small business firm' means a small business concern as defined at section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration.

"(i) The term 'nonprofit organization' means universities and other institutions of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a State nonprofit organization statute.

5 USC 202.

"§ 202. Disposition of rights

"(a) Each nonprofit organization or small business firm may, within a reasonable time after disclosure as required by paragraph (c)(1) of this section, elect to retain title to any subject invention: Provided, however, That a funding agreement may provide otherwise (i) when the funding agreement is for the operation of Government-owned research or production facility, (ii) in exceptional circumstances when it is determined by the agency that restriction or elimination of the right to

Funding
agreement

retain title to any subject invention will better promote the policy and objectives of this chapter or (iii) when it is determined by a Government authority which is authorized by statute or Executive order to conduct foreign intelligence or counterintelligence activities that the restriction or elimination of the right to retain title to any subject invention is necessary to protect the security of such activities. The rights of the nonprofit organization or small business firm shall be subject to the provisions of paragraph (c) of this section and the other provisions of this chapter.

“(b)(1) Any determination under (ii) of paragraph (a) of this section shall be in writing and accompanied by a written statement of facts justifying the determination. A copy of each such determination and justification shall be sent to the Comptroller General of the United States within thirty days after the award of the applicable funding agreement. In the case of determinations applicable to funding agreements with small business firms copies shall also be sent to the Chief Counsel for Advocacy of the Small Business Administration.

Written
determination.

“(2) If the Comptroller General believes that any pattern of determinations by a Federal agency is contrary to the policy and objectives of this chapter or that an agency's policies or practices are otherwise not in conformance with this chapter, the Comptroller General shall so advise the head of the agency. The head of the agency shall advise the Comptroller General in writing within one hundred and twenty days of what action, if any, the agency has taken or plans to take with respect to the matters raised by the Comptroller General.

Copy to
Comptroller
General.

Copy to SBA.

“(3) At least once each year, the Comptroller General shall transmit a report to the Committees on the Judiciary of the Senate and House of Representatives on the manner in which this chapter is being implemented by the agencies and on such other aspects of Government patent policies and practices with respect to federally funded inventions as the Comptroller General believes appropriate.

“(c) Each funding agreement with a small business firm or nonprofit organization shall contain appropriate provisions to effectuate the following:

“(1) A requirement that the contractor disclose each subject invention to the Federal agency within a reasonable time after it is made and that the Federal Government may receive title to any subject invention not reported to it within such time.

“(2) A requirement that the contractor make an election to retain title to any subject invention within a reasonable time after disclosure and that the Federal Government may receive title to any subject invention in which the contractor does not elect to retain rights or fails to elect rights within such time.

“(3) A requirement that a contractor electing rights file patent applications within reasonable times and that the Federal Government may receive title to any subject inventions in the United States or other countries in which the contractor has not filed patent applications on the subject invention within such times.

“(4) With respect to any invention in which the contractor elects rights, the Federal agency shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States any subject invention throughout the world, and may, if provided in the funding agreement, have additional rights to sublicense any foreign government or international organization pursuant to any existing or future treaty or agreement.

Contrary agency
determinations.

“(5) The right of the Federal agency to require periodic reporting on the utilization or efforts at obtaining utilization that are being made by the contractor or his licensees or assignees: Provided, That any such information may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code.

Report to
congressional
committees.

“(6) An obligation on the part of the contractor, in the event a United States patent application is filed by or on its behalf or by any assignee of the contractor, to include within the specification of such application and any patent issuing thereon, a statement specifying that the invention was made with Government support and that the Government has certain rights in the invention.

funding
agreement
requirements.

“(7) In the case of a nonprofit organization, (A) a prohibition upon the assignment of rights to a subject invention in the United States without the approval of the Federal agency, except where such assignment is made to an organization which has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention (provided that such assignee shall be subject to the same provisions as the contractor); (B) a prohibition against the granting of exclusive licenses under United States Patents or Patent Applications in a subject invention by the contractor to persons other than small business firms for a period in excess of the earlier of five years from first commercial sale or use of the invention or eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance unless, on a case-by-case basis, the Federal agency approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use shall not be deemed commercial sale or use as to other fields of use, and a first commercial sale or use with respect to a product of the invention shall not be deemed to end the exclusive period to different subsequent products covered by the invention; (C) a requirement that the contractor share royalties with the inventor; and (D) a requirement that the balance of any royalties or income earned by the contractor with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, be utilized for the support of scientific research or education.

Rights,
retention.

Rights, transfer
or assignment.

Third-party

licensing,
prohibition.

“(8) The requirements of sections 203 and 204 of this chapter.

“(d) If a contractor does not elect to retain title to a subject invention in cases subject to this section, the Federal agency may consider and after consultation with the contractor grant requests for retention of rights by the inventor subject to the provisions of this Act and regulations promulgated hereunder.

“(e) In any case when a Federal employee is a coinventor of any invention made under a funding agreement with a nonprofit organization or small business firm, the Federal agency employing such

coinventor is authorized to transfer or assign whatever rights it may acquire in the subject invention from its employee to the contractor subject to the conditions set forth in this chapter.

“(f) (1) No funding agreement with a small business firm or nonprofit organization shall contain a provision allowing a Federal agency to require the licensing to third parties of inventions owned by the contractor that are not subject inventions unless such provision has been approved by the head of the agency and a written justification has been signed by the head of the agency. Any such provision shall clearly state whether the licensing may be required in connection with the practice of a subject invention, a specifically identified work object, or both. The head of the agency may not delegate the authority to approve provisions or sign justifications required by this paragraph.

“(2) A Federal agency shall not require the licensing of third parties under any such provision unless the head of the agency determines that the use of the invention by others is necessary for the practice of a subject invention or for the use of a work object of the funding agreement and that such action is necessary to achieve the practical application of the subject invention or work object. Any such determination shall be on the record after an opportunity for an agency hearing. Any action commenced for judicial review of such determination shall be brought within sixty days after notification of such determination.

“§ 203. March-in rights

35 USC 203.

“With respect to any subject invention in which a small business firm or nonprofit organization has acquired title under this chapter, the Federal agency under whose funding agreement the subject invention was made shall have the right, in accordance with such procedures as are provided in regulations promulgated hereunder to require the contractor, an assignee or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the contractor, assignee, or exclusive licensee refuses such request, to grant such a license itself, if the Federal agency determines that such—

“(a) action is necessary because the contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

“(b) action is necessary to alleviate health or safety needs which are not reasonably satisfied by the contractor, assignee, or their licensees;

“(c) action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the contractor, assignee, or licensees; or

“(d) action is necessary because the agreement required by section 204 has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of its agreement obtained pursuant to section 204.

“§ 204. Preference for United States industry

35 USC 204.

“Notwithstanding any other provision of this chapter, no small business firm or nonprofit organization which receives title to any subject invention and no assignee of any such small business firm or nonprofit organization shall grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency under whose funding agreement the invention was made upon a showing by the small business firm, nonprofit organization, or assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

Waiver.

“§ 205. Confidentiality

35v USC 205.

“Federal agencies are authorized to withhold from disclosure to the public information disclosing any invention in which the Federal Government owns or may own a right, title, or interest (including a nonexclusive license) for a reasonable time in order for a patent application to be filed. Furthermore, Federal agencies shall not be required to release copies of any document which is part of an application for patent filed with the United States Patent and Trademark Office or with any foreign patent office.

“§ 206. Uniform clauses and regulations

35 USC 206.

“The Office of Federal Procurement Policy, after receiving recommendations of the Office of Science and Technology Policy, may issue regulations which may be made applicable to Federal agencies implementing the provisions of sections 202 through 204 of this chapter and the Office of Federal Procurement Policy shall establish standard funding agreement provisions required under this chapter.

“§ 207. Domestic and foreign protection of federally owned inventions

35 USC 207.

“Each Federal agency is authorized to—

“(1) apply for, obtain, and maintain patents or other forms of protection in the United States and in foreign countries on inventions in which the Federal Government owns a right, title, or interest;

“(2) grant nonexclusive, exclusive, or partially exclusive licenses under federally owned patent applications, patents, or other forms of protection obtained, royalty-free or for royalties or other consideration, and on such terms and conditions, including the grant to the licensee of the right of enforcement pursuant to the provisions of chapter 29 of this title as determined appropriate in the public interest;

35 USC 281 et seq.

“(3) undertake all other suitable and necessary steps to protect and administer rights to federally owned inventions on behalf of the Federal Government either directly or through contract; and
“(4) transfer custody and administration, in whole or in part, to another Federal agency, of the right, title, or interest in any federally owned invention.

“§ 208. Regulations governing Federal licensing

35 USC 208.

“The Administrator of General Services is authorized to promulgate regulations specifying the terms and conditions upon which any federally owned invention, other than inventions owned by the Tennessee Valley Authority, may be licensed on a nonexclusive, partially exclusive, or exclusive basis.

“§ 209. Restrictions on licensing of federally owned inventions

“(a) No Federal agency shall grant any license under a patent or patent application on a federally owned invention unless the person requesting the license has supplied the agency with a plan for development and/or marketing of the invention, except that any such plan may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code.

“(b) A Federal agency shall normally grant the right to use or sell any federally owned invention in the United States only to a licensee that agrees that any products embodying the invention or produced through the use of the invention will be manufactured substantially in the United States.

35 USC 209.

“(c)(1) Each Federal agency may grant exclusive or partially exclusive licenses in any invention covered by a federally owned domestic patent or patent application only if, after public notice and opportunity for filing written objections, it is determined that—

Development or
marketing plan

“(A) the interests of the Federal Government and the public will best be served by the proposed license, in view of the applicant’s intentions, plans, and ability to bring the invention to practical application or otherwise promote the invention’s utilization by the public;

“(B) the desired practical application has not been achieved, or is not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention,

Manufacture in
U. S.

“(C) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth the investment of risk capital and expenditures to bring the invention to practical application or otherwise promote the invention’s utilization by the public; and

“(D) the proposed terms and scope of exclusivity are not greater than reasonably necessary to provide the incentive for bringing the invention to practical application or otherwise promote the invention’s utilization by the public.

“(2) A Federal agency shall not grant such exclusive or partially exclusive license under paragraph (1) of this subsection if it determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates, or to create or maintain other situations inconsistent with the antitrust laws.

“(3) First preference in the exclusive or partially exclusive licensing of federally owned inventions shall go to small business firms submitting plans that are determined by the agency to be within the capabilities of the firms and equally likely, if executed, to bring the invention to practical application as any plans submitted by applicants that are not small business firms.

“(d) After consideration of whether the interests of the Federal Government or United States industry in foreign commerce will be enhanced, any Federal agency may grant exclusive or partially exclusive licenses in any invention covered by a foreign patent application or patent, after public notice and opportunity for filing written objections, except that a Federal agency shall not grant such exclusive or partially exclusive license if it determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the United States in any line of commerce to which the technology to be licensed relates, or to create or maintain other situations inconsistent with antitrust laws.

Anti trust
factors.

“(e) The Federal agency shall maintain a record of determinations to grant exclusive or partially exclusive licenses.

Small business
preference.

“(f) Any grant of a license shall contain such terms and conditions as the Federal agency determines appropriate for the protection of the interests of the Federal Government and the public, including provisions for the following:

Antitrust
factors.

“(1) periodic reporting on the utilization or efforts at obtaining utilization that are being made by the licensee with particular reference to the plan submitted: Provided, That any such information may be treated by the Federal agency as commercial and financial information obtained from a person and privileged and confidential and not subject to disclosure under section 552 of title 5 of the United States Code;

Record.

“(2) the right of the Federal agency to terminate such license in whole or in part if it determines that the licensee is not executing the plan submitted with its request for a license and the licensee cannot otherwise demonstrate to the satisfaction of the Federal agency that it has taken or can be expected to take within a reasonable time, effective steps to achieve practical application of the invention;

Terms and conditions.

“(3) the right of the Federal agency to terminate such license in whole or in part if the licensee is in breach of an agreement obtained pursuant to paragraph (b) of this section; and

“(4) the right of the Federal agency to terminate the license in whole or in part if the agency determines that such action is necessary to meet requirements for public use specified by Federal regulations issued after the date of the license and such requirements are not reasonably satisfied by the licensee.

“§ 210. Precedence of chapter

35 USC 210

“(a) This chapter shall take precedence over any other Act which would require a disposition of rights in subject inventions of small business firms or nonprofit organizations contractors in

- a manner that is inconsistent with this chapter, including but not necessarily limited to the following:
- “(1) section 10(a) of the Act of June 29, 1935, as added by title I of the Act of Aug. 14, 1946 (7 U.S.C. 427i(a); 60 Stat. 1085);
 - “(2) section 205(a) of the Act of Aug. 14, 1946 (7 U.S.C. 1624(a); 60 Stat. 1090);
 - “(3) section 501(c) of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 951(c); 83 Stat. 742);
 - “(4) section 106(c) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1395(c); 80 Stat. 721);
 - “(5) section 12 of the National Science Foundation Act of 1950 (42 U.S.C. 1871(a); 82 Stat. 360);
 - “(6) section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182; 68 Stat. 943);
 - “(7) section 305 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457);
 - “(8) section 6 of the Coal Research Development Act of 1960 (30 U.S.C. 666; 74 Stat. 337);
 - “(9) section 4 of the Helium Act Amendments of 1960 (50 U.S.C. 167b; 74 Stat. 920);
 - “(10) section 32 of the Arms Control and Disarmament Act of 1961 (22 U.S.C. 2572; 75 Stat. 634);
 - “(11) subsection (e) of section 302 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 302(e); 79 Stat. 5);
 - “(12) section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901); 88 Stat. 1878);
 - “(13) section 5(d) of the Consumer Product Safety Act (15 U.S.C. 2054(d); 86 Stat. 1211);
 - “(14) section 3 of the Act of April 5, 1944 (30 U.S.C. 323; 58 Stat. 191);
 - “(15) section 8001(c)(3) of the Solid Waste Disposal Act (42 U.S.C. 6981(c); 90 Stat. 2829);
 - “(16) section 219 of the Foreign Assistance Act of 1961 (22 U.S.C. 2179; 83 Stat. 806);
 - “(17) section 427(b) of the Federal Mine Health and Safety Act of 1977 (30 U.S.C. 937(b); 86 Stat. 155);
 - “(18) section 306(d) of the Surface Mining and Reclamation Act of 1977 (30 U.S.C. 1226(d); 91 Stat. 455);
 - “(19) section 21(d) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2218(d); 88 Stat. 1548);
 - “(20) section 6(b) of the Solar Photovoltaic Energy Research Development and Demonstration Act of 1978 (42 U.S.C. 5585(b); 92 Stat. 2516);
 - “(21) section 12 of the Native Latex Commercialization and Economic Development Act of 1978 (7 U.S.C. 178(j); 92 Stat. 2533); and
 - “(22) section 408 of the Water Resources and Development Act of 1978 (42 U.S.C. 7879; 92 Stat. 1360).
- The Act creating this chapter shall be construed to take precedence over any future Act unless that Act specifically cites this Act and provides that it shall take precedence over this Act.
- “(b) Nothing in this chapter is intended to alter the effect of the laws cited in paragraph (a) of this section or any other laws with respect to the disposition of rights in inventions made in the performance of funding agreements with persons other than nonprofit organizations or small business firms.
 - “(c) Nothing in this chapter is intended to limit the authority of agencies to agree to the disposition of rights in inventions made in the performance of work under funding agreements with persons other than nonprofit organizations or small business firms in accordance with the Statement of Government Patent Policy issued on Aug. 23, 1971 (36 Fed. Reg. 16887), agency regulations, or other applicable regulations or to otherwise limit the authority of agencies to allow such persons to retain ownership of inventions. Any disposition of rights in inventions made in accordance with the Statement or implementing regulations, including any disposition occurring before enactment of this section, are hereby authorized.
 - “(d) Nothing in this chapter shall be construed to require the disclosure of intelligence sources or methods or to otherwise affect the authority granted to the Director of Central Intelligence by statute or Executive order for the protection of intelligence sources or methods.

91 Stat. 1320

64 Stat. 154

68 Stat. 944

88 Stat. 1887.

42 USC 5908.

7 USC 178j.

92 Stat. 1316.

Rights,
disposition

“§ 211. Relationship to antitrust laws

- “Nothing in this chapter shall be deemed to convey to any person immunity from civil or criminal liability, or to create any defenses to actions, under any antitrust law.”
- (b) The table of chapters for title 35, United States Code, is amended by adding immediately after the item relating to chapter 37 the following:
- “38. Patent rights in inventions made with Federal assistance.”
- SEC. 7. AMENDMENTS TO OTHER ACTS.—The following Acts are amended as follows:
- (a) Section 156 of the Atomic Energy Act of 1954 (42 U.S.C. 2186; 68 Stat. 947) is amended by deleting the words “held by the Commission or”.
 - (b) The National Aeronautics and Space Act of 1958 is amended by repealing paragraph (g) of section 305 (42 U.S.C. 2457(g); 72 Stat. 436).
 - (c) The Federal Nonnuclear Energy Research and Development Act of 1974 is amended by repealing paragraphs (g), (h), and (i) of section 9 (42 U.S.C. 5908 (g), (h), and (i); 88 Stat. 1889-1891).
- SEC. 8. (a) Sections 2, 4, and 5 of this Act will take effect upon enactment.
- (b) Section 1 of this Act will take effect on the first day of the seventh month beginning after its enactment and will apply to patents in force as of that date or issued thereafter.
 - (c) Section 3 of this Act will take effect on the first day of the first fiscal year beginning on or after one calendar year after enactment. However, until section 3 takes effect, the Commissioner may credit the Patent and Trademark Office appropriation account in the Treasury of the United States with the revenues from collected reexamination fees, which will be available to pay the costs to the Office of reexamination proceedings.

Disclosure.

35 USC 211.

(d) Any fee in effect as of the date of enactment of this Act will remain in effect until a corresponding fee established under section 41 of title 35, United States Code, or section 1113 of title 15, United States Code, takes effect.

Effective dates.

(e) Fees for maintaining a patent in force will not be applicable to patents applied for prior to the date of enactment of this Act.

35 USC 41 note.

(f) Sections 6 and 7 of this Act will take effect on the first day of the seventh month beginning after its enactment. Implementing regulations may be issued earlier.

(g) Sections 8 and 9 will take effect on the date of enactment of this Act.

SEC. 9. The Commissioner of Patents and Trademarks shall report to Congress, within two years after the effective date of this Act, a plan to identify, and if necessary develop or have developed, computerized data and retrieval systems equivalent to the latest state of the art which can be applied to all aspects of the operation of the Patent and Trademark Office, and particularly to the patent search file, the patent classification system, and the trademark search file. The report shall specify the cost of implementing the plan, how rapidly the plan can be implemented by the Patent and Trademark Office, without regard to funding which is or which may be available for this purpose in the future.

Computerized
data and
retrieval
system, report to

SEC. 10. (a) Section 101 of title 17 of the United States Code is amended to add at the end thereof the following new language:

"A 'computer program' is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result."

Congress
35 USC 14 note.

(b) Section 117 of title 17 of the United States Code is amended to read as follows:

"§ 117. Limitations on exclusive rights: Computer programs

"Notwithstanding the provisions of section 106, it is not an infringement for the owner of a copy of a computer program to make or authorize the making of another copy or adaptation of that computer program provided:

"Computer
program."

17 USC 117.

17 USC 106

"(1) that such a new copy or adaptation is created as an essential step in the utilization of the computer program in conjunction with a machine and that it is used in no other manner,

or

"(2) that such new copy or adaptation is for archival purposes only and that all archival copies are destroyed in the event that continued possession of the computer program should cease to be rightful.

"Any exact copies prepared in accordance with the provisions of this section may be leased, sold, or otherwise transferred, along with the copy from which such copies were prepared, only as part of the lease, sale, or other transfer of all rights in the program. Adaptations so prepared may be transferred only with the authorization of the copyright owner."

Approved Dec. 12, 1980.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 96-1307, Pt. I (Comm. on the Judiciary) and No. 96—1307, Pt. 2 (Comm. on Government Operations).

CONGRESSIONAL RECORD, Vol. 126 (1980):

Nov. 17, considered and passed House.

Nov. 20, considered and passed Senate, amended.

Nov. 21, House concurred in Senate amendment.

(56)

**Public Law 97-247
97th Congress
An Act**

To authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That there is authorized to be appropriated for the payment of salaries and necessary expenses of the Patent and Trademark Office to become available for fiscal year 1983, \$76,000,000, and in fiscal years 1984 and 1985 such sums as may be necessary as well as such additional or supplemental amounts as may be necessary, for increases in salary, pay, retirement, or other employee benefits authorized by law. Funds available under this section shall be used to reduce by 50 per centum the payment of fees under section 41 (a) and (b) of title 35, United States Code, by independent inventors and nonprofit organizations as defined in regulations established by the Commissioner of Patents and Trademarks, and by small business concerns as defined in section 3 of the Small Business Act and by regulations established by the Small Business Administration. When so specified and the the extent provided in an appropriation Act, any amount appropriated pursuant to this section and, in addition, such fees as shall be collected pursuant to title 35, United States Code, and the Trademark Act of 1946, as amended (15 U.S.C. 1051 et seq.), may remain available without fiscal year limitation.

15 USC 632.

SEC. 2. Notwithstanding any other provision of law, there is authorized to be appropriated for the payment of salaries and expenses of the Patent and Trademark Office, \$121,461,000 for the fiscal year ending September 30, 1982, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. (a) Section 41(a) of title 35, United States Code, is amended to read as follows:

"(a) The Commissioner shall charge the following fees:

"1. On filing each application for an original patent, except in design or plant cases, \$300; in addition, on filing or on presentation at any other time, \$30 for each claim in independent form which is in excess of three, \$10 for each claim (whether independent or dependent) which is in

excess of twenty, and \$100 for each application containing a multiple dependent claim. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of this title or any claim depending therefrom shall be considered as separate dependent claims in accordance with the number of claims to which reference is made. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

Fees.

"2. For issuing each original or reissue patent, except in design or plant cases, \$500.

"3. In design and plant cases:

"a. On filing each design application, \$125.

"b. On filing each plant application, \$200.

"c. On issuing each design patent, \$175.

"d. On issuing each plant patent, \$250.

35 USC 112.

"4. On filing each application for the reissue of a patent, \$300; in addition, on filing or on presentation at any other time, \$30. for each claim in independent form which is in excess of the number of independent claims of the original patent, and \$10 for each claim (whether independent or dependent) which is in excess of twenty and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

"5. On filing each disclaimer, \$50.

"6. On filing an appeal from the examiner to the Board of Appeals, \$115; in addition, on filing a brief in support of the appeal, \$115, and on requesting an oral hearing before the Board of Appeals, \$100.

"7. On filing each petition for the revival of an unintentionally abandoned application for a patent or for the unintentionally delayed payment of the fee for issuing each patent, \$500, unless the petition is filed under sections 133 or 151 of this title, in which case the fee shall be \$50.

"8. For petitions for one-month extensions of time to take actions required by the Commissioner in an application:

"a. On filing a first petition, \$50.

"b. On filing a second petition, \$100.

"c. On filing a third or subsequent petition, \$200."

35 USC 133, 151.

(b) Section 41(b) of title 35, United States Code, is amended to read as follows:

"(b) The Commissioner shall charge the following fees for maintaining a patent in force:

"1. Three years and six months after grant, \$400.

"2. Seven years and six months after grant, \$800.

"3. Eleven years and six months after grant, \$1,200.

Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an application maintenance fee. No fee will be established for maintaining a design or plant patent in force."

Maintenance fees.

(c) Section 41(c) of title 35, United States Code, is amended to read as follows:

"(c)(1) The Commissioner may accept the payment of any maintenance fee required by subsection (b) of this section after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable. The Commissioner may require the payment of a surcharge as a condition of accepting payment of any maintenance fee after the six-month grace period. If the Commissioner accepts payment of a maintenance fee after the six-month grace period, the patent shall be considered as not having expired at the end of the grace period.

Expiration.

Surcharge.

"(2) No patent, the term of which has been maintained as a result of the acceptance of a payment of a maintenance fee under this subsection, shall abridge or affect the right of any person or his successors in business who made, purchased or used after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used. The court before which such matter is in question may provide for the continued manufacture, use or sale of the made, purchased, or used as specified, or for the manufacture, use or sale of which substantial preparation was made after the six-month grace period but before the acceptance of a maintenance fee under this subsection, and it may also provide for the continued practice of any process, practiced, or for the practice of which substantial preparation was made, after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced after the six-month grace period but before the acceptance of a maintenance fee under the subsection."

Maintenance fee, delayed payment.
Surcharge.

(d) Section 41(d) of title 35, United States Code, is amended to read as follows:

"(d) The Commissioner will establish fees for all other processing, services, or materials related to patents not specified above to recover the estimated average cost to the Office of such processing, services, or materials. The yearly fee for providing a library specified in section 113 of this title with uncertified printed copies of the specifications and drawings for all patents issued in that year will be \$50."

(e) Section 41(f) of title 35, United States Code, is amended to read as follows:

"(f) The fees established in subsections (a) and (b) of this section may be adjusted by the Commissioner on October 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Changes of less than 1 per centum may be ignored."

Fees.

(f) Subsection (a) of section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), is amended by deleting "Fees will be set and adjusted by the Commissioner to recover the aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost to the Office of performing the service or furnished the material."

(g) Section 42(c) of the title 35, United States Code, is amended by adding the following sentence at the end thereof: "Fees available to the Commissioner under section 31 of the Trademark Act

of 1946, as amended (15 U.S.C. 1113), shall be used exclusively for the processing of trademark registrations and for other services and materials related to trademarks.”

SEC. 4. Section 3(a) of title 35, United States Code is amended (1) by deleting the phrase “not more than fifteen”; and (2) by inserting the phrase “appointed under section 7 of this title” immediately after the phrase “examiners-in-chief”.

SEC. 5. Section 111 of title 35, United States Code, is amended to read as follows:

“SEC. 111. Application for patent shall be made, or authorized to be made, by the inventor, except as otherwise provided in this title, in writing to the Commissioner. Such application shall include (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be accompanied by the fee required by law. The fee and oath may be submitted after the specification and any required drawing are submitted, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Commissioner. Upon failure to submit the fee and oath within such prescribed period, the application shall be regarded as abandoned, unless it is shown to the satisfaction of the Commissioner that the delay in submitting the fee and oath was unavoidable. The filing date of an application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office.”

35 USC 13.

Adjusted fees.

SEC.6. (a) Section 116 of title 35, United States Code, is amended (1) by deleting the phrase “Joint inventors” from the title and inserting in its place “Inventors”; and (2) in the third paragraph, by deleting the phrase “a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error” and inserting in its place the phrase “through error a person is named in an application for patent as the inventor, or through error an inventor is not named in an application”.

Applications.

(b) Section 256 of title 35, United States Code, is amended to read as follows:

“§ 256. Correction of named inventor

35 USC 112.

35 USC 113.

35 USC 115.

“Whenever through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent and such error arose without any deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate correcting such error.

“The error of omitting inventors or naming persons who are not inventors shall not invalidate the patent in which such error occurred if it can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly.”

Filing date.

SEC. 7. Section 6 of the title 35, United States Code, is amended by deleting paragraph (d) thereof.

SEC. 8. (a) Section 8(a) of the Trademark Act of 1946, as amended (15 U.S.C. 1058(a)), is amended (a) by deleting the word “still”; and (2) by inserting the phrase “in commerce” immediately after the word “use”.

(b) Section 8(b) of the Trademark Act of 1946, as amended (15 U.S.C. 1058(b)), is amended (1) by deleting the word “stille”; and (2) by inserting the phrase “in commerce” immediately after the word “use”.

SEC. 9. (a) Section 13 of the Trademark Act of 1946, as amended (15 U.S.C. 1063), is amended (1) by deleting the phrase “a verified” and inserting in its place the word “an”; (2) by adding the phrase “when requested prior to the expiration of an extension” immediately after the word “cause”; and (3) by deleting the fourth sentence.

(b) Section 14 of the Trademark Act of 1946, as amended (15 U.S.C. 1064), is amended by deleting the word “verified”.

SEC. 10. Section 15 of the Trademark Act of 1946, as amended (15 U.S.C. 1065), is amended by deleting the phrase “the publication” and inserting in its place the word “registration”.

SEC. 11. The first sentence of section 16 of the Trademark Act of 1946, as amended (15 U.S.C. 1066), is amended to read as follows: “Upon petition showing extraordinary circumstances, the Commissioner may declare that an interference exists when application is made for the registration of a mark which so resembles a mark previously registered by another, or for the registration of which another has previously made application, as to be likely when applied to the goods or when used in connection with the services of the applicant to cause confusion or mistake or to deceive.”

SEC. 12. Section 21 of title 35, United States Code, is amended—

(1) by deleting the phrase “Day for taking action falling on Saturday, Sunday, or holiday” from the title and inserting in its place the phrase “Filing date and day for taking action”;

(2) by inserting the following as subsection (a):

“(a) The Commissioner may by rule prescribe that any paper or fee required to be filed in the Patent and Trademark Office will be considered filed in the Office on the date on which it was deposited with the United States Postal Service or would have been deposited with the United States Postal Service but for postal service interruptions or emergencies designated by the Commissioner.”;

(3) by designating the existing paragraph as subsection (b); and

(4) by inserting the word “federal” in subsection (b), as designated above, immediately after the word “a”.

SEC. 13. Section 6(a) of title 35, United States Code, is amended (1) by deleting the word “and”, third occurrence, and inserting in its place a comma; (2) by inserting the phrase “, or exchanges of items or services” immediately after the word “programs”; and (3) by inserting the phrase “or the administration of the Patent and Trademark Office” immediately after the word “law”, second occurrence.

SEC. 14. (a) Section 115 of title 35, United States Code, is amended by (1) deleting the phrase “shall be” and inserting in its place the word “is”; and (2) inserting the following immediately after the phrase “United States”, third occurrence: “, or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States”.

Filing Date

(b) Section 261 of title 35, United States Code, is amended, in the third paragraph, by inserting the following immediately after the phrase "United States", third occurrence: " or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States".

(c) Section 11 of the Trademark Act of 1946, as amended (15 U.S.C. 1061), is amended by (1) deleting the phrase "shall be", first occurrence, and inserting in its place the word "is"; and (2) inserting the following immediately after the phrase "United States", third occurrence: " or apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States".

Effective dates.

SEC. 15. Section 13 of title 35, United States Code, is amended by deleting "(a)" and inserting in its place "(d)".

SEC. 16. Section 173 of title 35, United States Code, is amended to read as follows: "Patents for designs shall be granted for the term of fourteen years."

SEC. 17. (a) Sections 1, 2, 4, 7, and 13 through 15 of this Act shall take effect on the date of enactment of this Act. Sections 3 and 16 of this Act shall take effect on Oct. 1, 1982. The maintenance fees provided for in section 3(b) of this Act shall not apply to patents applied for prior to the date of enactment of this Act. Each patent applied for on or after the date of enactment of this Act shall be subject to the maintenance fees established pursuant to section 3(b) of this Act or to maintenance fees hereafter established by law, as to the amounts paid and the number and timing of the payments.

35 USC 41 note.

(b)(1) Title 35, United States Code, is amended by inserting after section 293 the following new section of chapter 29:

"§ 294. Voluntary arbitration

"(a) A contract involving a patent or any right under a patent may contain a provision requiring arbitration of any dispute relating to patent validity or infringement arising under the contract. In the absence of such a provision, the parties to an existing patent validity or infringement dispute may agree in writing to settle such dispute by arbitration. Any such provision or agreement shall be valid, irrevocable, and enforceable, except for any grounds that exist at law or in equity for revocation of a contract.

"(b) Arbitration of such disputes, awards by arbitrators and confirmation of awards shall be governed by title 9, United States Code, to the extent such title is not inconsistent with this section. In any such arbitration proceeding, the defenses provided for under section 282 of this title shall be considered by the arbitrator if raised by any party to the proceeding.

"(c) An award by an arbitrator shall be final and binding between the parties to the arbitration but shall have no force or effect on any other person. The parties to an arbitration may agree that in the event a patent which is the subject matter of an award is subsequently determined to be invalid or unenforceable in a judgment rendered by a court to competent jurisdiction from which no appeal can or has been taken, such award may be modified by any court of competent jurisdiction upon application by any party to the arbitration. Any such modification shall govern the rights and obligations between such parties from the date of such modification.

"(d) When an award is made by an arbitrator, the patentee, his assignee or licensee shall give notice thereof in writing to the Commissioner. There shall be a separate notice prepared for each patent involved in such proceeding. Such notice shall set forth the names and addresses of the parties, the name of the inventor, and the name of the patent owner, shall designate the number of the patent, and shall contain a copy of the award. If an award is modified by a court, the party requesting such modification shall give notice of such modification to the Commissioner. The Commissioner shall, upon receipt of either notice, enter the same in the record of the prosecution of such patent. If the required notice is not filed with the Commissioner, any party to the proceeding may provide such notice to the Commissioner.

Awards.
9 USC 1 *et seq.*
35 USC 282.

"(e) The award shall be unenforceable until the notice required by subsection (d) is received by the Commissioner."

Modification.

(2) The analysis for chapter 29 of title 35 of the United States Code is amended by adding at the end the following:

"294. Voluntary arbitration."

(c) Sections 5, 6, 8 through 12, and 17(b) of this Act shall take effect six months after enactment.

Approved Aug. 27, 1982.

Notices.
Modification.

LEGISLATIVE HISTORY—H.R. 6260

HOUSE REPORT No. 97-542 (Comm. on the Judiciary).
CONGRESSIONAL RECORD, Vol. 128 (1982):

June 8, considered and passed House.
Aug. 12, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 18, No. 36 (1982):
Aug. 28, Presidential statement.

PATENT AND TRADEMARK OFFICE AUTHORIZATION

May 17, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. KASTENMEIER, from the Committee on the Judiciary, submitted the following
REPORT

[To accompany H.R. 6260]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Judiciary, to whom was referred the bill (H.R. 6260) to authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause of the bill and inserts a new text which appears in italic type in the reported bill.

PURPOSE OF THE BILL

The purpose of H.R. 6260 is to authorize appropriations for the Patent and Trademark Office for fiscal years 1983 through 1985.

STATEMENT

The Subcommittee on Courts, Civil Liberties and the Administration of Justice previously held two days of hearings on the legislation, receiving testimony from a representative group of witnesses including the Commissioner of Patents and Trademarks, the American Bar Association Section of Patent, Trademark and Copyright Law, the American Patent Law Association, the Patent, Trademark and Copyright Section of the State Bar of Virginia, the United States Trademark Association and the General Patent Counsel of the General Electric Corporation.

H.R. 6260 reflects the recommendation of the Administration with three modifications as follows. First, the Administration proposal authorized the Commissioner of Patents and Trademarks to establish fees administratively. The subcommittee approved an amendment to set forth specific fees in the statute and limited the Commissioner's authority to raise fees. Second, the Administration recommended that user fees recover 100% of the costs of actual processing of patents and trademarks. The subcommittee amended the bill to reduce by 50% patent filing and maintenance fees for individual inventors, small businesses and not for profit institutions. The effect of the amendment is to increase by \$8 million the authorized appropriation which would have been provided under the original Administration request. Third, the subcommittee adopted a recommendation of the Commissioner of Patents and Trademarks, the American Bar Association and a coalition of corporate patent counsel permitting arbitration of patent disputes.

H.R. 6260 was considered by the Full Committee on the Judiciary on May 11, 1982 and was approved as reported by the subcommittee with an amendment offered by Mr. Frank described below.

SYNOPSIS OF H.R. 6260

SECTIONS 1—3

Authorizes the Patent and Trademark Office for fiscal year 1983 at an appropriations level of \$76,000,000 and for fiscal years 1984 and 1985 such sums as may be necessary. This would be augmented by additional fee income under the bill of approximately \$79 million for a total budget of \$155 million. In fiscal year 1982 the Patent and Trademark Office was authorized at a level of \$118,961,000 of which \$29,600,000 was provided through fee income. Fiscal year 1983 will be the first year in which fee income under P.L. 96-517 will be credited to the Patent and Trademark Office without being counted as part of its authorized appropriation. Had this new accounting procedure been applied to fiscal year 1982 the authorization and appropriation for the Patent and Trademark Office would have been \$89 million. This constitutes the actual level of taxpayer support of the Office. Thus, H.R. 6260 authorizes the expenditure of tax revenue in fiscal 1983 to support the Patent and Trademark Office at a level \$21 million lower than for fiscal 1982. H.R. 6260 proposes to double current fees as the means of making up for the difference between a lower level of taxpayer support and an increased total budget. Further, maintenance fees which were first authorized in P.L. 96-517 and which will not begin to be collected until fiscal year 1986 (Oct. 1, 1985) will also be doubled over the amounts provided for under P.L. 96-517.

The overall objective of H.R. 6260 is to provide for increased user support for the Patent and Trademark Office costs associated with the actual processing of patent applications by fiscal year 1996. The fee schedule is designed to return to the government 100% of actual costs. However, an amendment to the original Administration proposal adopted by the subcommittee would reduce by half the fees for individuals, small businesses and nonprofit inventors. At the present time less than 25% of the actual costs of processing patent applications are supported by fee revenue and under P.L. 96-517, which becomes effective on Oct. 1, 1982, this amount will gradually begin to rise but will only reach 50% of actual costs in 1996.

The amendment offered by Mr. Frank and approved by the Committee modifies that portion of Section 3 of H.R. 6260 dealing with Trademark fees. Public Law 96-517 (35 United States Code, section 31(a)) provides, "Fees will be set and adjusted by the Commissioner to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost . . . of performing the service or furnishing the material."

The Administration requested that the figure, "50 per centum", be changed to "100 per centum", thus mandating full recovery to the Treasury of all costs associated with processing trademarks. An amendment offered during subcommittee consideration of the legislation proposed to reduce fee generated revenue supporting processing of trademarks to less than the 100 per centum recovery level. The amendment was not agreed to. The author of the amendment, Mr. Frank, then proposed

to amend the law to provide a statutory fee schedule which would return revenue to the Patent and Trademark Office at a level designed to recover 100 per centum of costs. However, following consultations with interested parties, Mr. Frank modified his amendment simply to repeal those portions of P.L. 96-517 which mandate a specified level of cost recovery for the processing of trademark registrations. Thus, the level of cost recovery for processing of trademark registrations will be within the discretion of the Commissioner. The Committee is aware of the concerns of users of the Trademark registration system, however, and intends to exercise vigorous oversight with respect to the Commissioner to ensure that fees remain at a reasonable level and that trademark registrations are processed in an efficient and cost effective manner. As part of this oversight, the Committee recommends the following fee structure to the Commissioner for Fiscal Year 1983.

Type of fee:	Proposed fee
Application filing fee per class	\$175
Renewal fee	300
Late renewal	100
Section 12(c) claim	100
New certificate	100
Certificate of correction	100
Disclaimer to registration	100
Amendment to registration	100
Per class combines section 8 and 15 affidavit	200
Per class section 8 affidavit alone	100
Per class section 15 affidavit alone	100
All petitions to Commissioner	100
Cancellation opposition per class	200
TTAB appeal	100
Certified copies	10
Copies of trademarks	1
Assignments	(¹)

¹100 plus for each mark in addition to 1.

Section 3(d) also permits the Commissioner of Patents to accept late payment of maintenance fees where it is established that the delay in payment was unavoidable.

Section 4 permits the Commissioner of Patents and Trademarks to appoint temporary examiners in chief for the Board of Patent Appeals to deal more flexibly with workload.

Section 5 permits late filing of the oath and fee accompanying submission of specifications and drawings which accompany patent claims.

Section 6 permits greater flexibility in correcting mistakes in the naming of inventors on a patent application.

Section 7 allocates funds from the Patent and Trademark Office to the Department of State to pay the financial obligations of administering the patent Cooperation Treaty.

Section 8 clarifies the Trademark law with respect to what constitutes use of a mark "in commerce".

Section 9 deletes the burdensome technical requirement that trademark oppositions be verified.

Section 10 makes the date of registration rather than the date of publication the crucial date for purposes of establishing the incontestability of a trademark. This eliminates an ambiguity in the present law.

Section 11 limits the declaration of interferences under the trademark law to situations where extraordinary circumstances exist.

Section 12 authorizes the Commissioner of the Patent and Trademark Office the flexibility to deal with problems of delay in filing due to postal service breakdowns.

Section 13 permits the Commissioner of Patents to enter into cooperative studies, programs, exchanges and similar ventures associated with the administration of the Patent Office.

Section 14 conforms U.S. Patent and Trademark Law to a recent international treaty governing diplomatic or consular legalization of documents.

Section 15 corrects a mistaken citation in P.L. 96-517.

Section 16 creates a uniform term for design patents.

Section 17 establishes the effective dates for provisions of the Act. Increased filing fees would apply to all applications made on or after the date of enactment of H.R. 6260.

Section 18 permits voluntary arbitration of patent disputes.

SECTION-BY -SECTION ANALYSIS

SECTION 1

This section authorizes appropriations for the Patent and Trademark Office for the payment of salaries and necessary expenses of the Office. For Fiscal Year 1983, this section authorizes appropriations of \$76,000,000, and in fiscal years 1984 and 1985 such sums as may be necessary, as well as such additional and supplemental amounts as may be necessary to cover any increases in salary, pay, retirement, or employee benefits which may be authorized by law. Funds made available by these appropriations are to be used to reduce by 50 per centum the amount of the fees to be paid under title 35, United States Code, section 41(a) and (b) by independent inventors and nonprofit organizations as defined in regulations established by the Commissioner of Patents and Trademarks, and by small business concerns as defined in section 3 of the Small Business Act and by regulations established by the Small Business Administration.

In addition, fees collected pursuant to title 35, United States Code, and the Trademark Act of 1946, as amended (15 U.S.C. 1051 et seq.), will augment the authorized appropriation to provide the resources needed to conduct the operations of the Office for fiscal year 1983. The total resources for the Office in fiscal year 1983, that is, the amount appropriated pursuant to this section plus fees collected pursuant to the patent and trademark laws, which will be available to the Office,

are estimated to be \$154,934,000. The corresponding levels for fiscal year 1984 and fiscal year 1985 are estimated in the President's Budget to be \$167 million and \$176 million, respectively. Any additional amounts to cover increases in salary, pay, retirement, or other employee benefits which may be authorized by law will be in addition to, and will therefore increase, those program levels. Finally, any funds appropriated pursuant to this section and all fees collected, when specified in an appropriation act, will remain available without any fiscal year limitation.

SECTION 2

This section provides that, notwithstanding any other provision of law, there is authorized to be appropriated to the Patent and Trademark Office for fiscal year 1982, \$121,461,000 and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law. This section increases the amount authorized for the Patent and Trademark Office by 2.5 million over that authorized in Public law 97-35. The President is recommending a supplemental appropriation of \$2,500,000 for the Patent and Trademark Office for fiscal year 1982 in order to carry out the program recommendations included in his fiscal year 1983 Budget.

SECTION 3

This section establishes certain statutory fees which are to be charged by the Commissioner and authorizes the Commissioner to establish other fees whose amounts are not specifically set. Thus, the major routine fees which are applicable to patents and patent application processing are established (e.g., filing, issuance, and maintenance fees). The Commissioner is authorized to establish fees for all other processing, services, or materials related to patents which are not specifically established by statute. The processing and service fees, which would be established at a level to recover the estimated average costs to the Office. A more specific discussion of the various provisions of this section is set forth below.

Section 3(a) amends section 41(a) of title 35 to provide the amounts of the fees for filing and issuance of patent applications. In addition, the section includes provisions for increasing the filing fees due to increased complexities presented by certain applications, e.g., applications containing more than a specified number of claims and any application containing a multiple dependent claim. The section also provides that fees will be charged when the number of claims is increased above the specified number or when a multiple dependent claim is first presented, whether on filing or at a later point in processing.

Under section 41(a)1, the filing fee for an original patent, except in design or plant cases, is \$300. In addition, on filing or on presentation at any other time, \$30 is due for each claim in independent form which is in excess of three, \$10 is due for each claim (whether independent or dependent) which is in excess of twenty, and \$100 is due for each application containing a multiple dependent claim. The latter fee is a one-time charge per application due the first time a multiple dependent claim is presented for examination. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of title 35, United States Code, or any claim depending therefrom, will be considered as separate dependent claims in accordance with the number of claims to which reference is made. Under the section, errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner. This will enable the Commissioner to establish regulations whereby patent applications may correct, without prejudice, errors in payment of the additional fees, i.e., those in addition to the basic fees established.

Under section 41(a)2, the fee for issuing all original and reissue patents, except in design or plant cases, would be a uniform amount of \$500. No supplemental issue fees are required.

Section 41(a)3 establishes fixed fees for filing applications for, and issuance of design and plant patents. For design patent cases, the filing fee would be \$200 and the issue fee \$250.

Section 41(a)4 relates to fees in reissue cases and establishes a fee of \$300 for filing each application for the reissue of a patent. In addition, on filing or on presentation at any other time, \$30 is due for each claim in independent form which is in excess of the number of independent claims of the original patent, and \$10 is due for each claim (whether independent or dependent) which is in excess of twenty and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

Under section 41(a)5, a fee of \$50 would be established for filing each disclaimer in a patent or patent application.

Section 41(a)6 establishes a fee due on filing an appeal from the examiner to the Board of Appeals of \$115. In addition, a fee of \$115 is due on filing a brief in support of the appeal, and a fee of \$100 is due for requesting an oral hearing before the Board of Appeals.

Section 41(a)7 establishes two different fees for filing petitions with different standards to revive abandoned patent applications. The same two fees are applicable to petitions to accept the delayed payment of the fee for issuing a patent. The fees set forth in this section are due on filing the petition. Since the section provides for two alternative fees with different standards, the section would permit the applicant seeking revival or acceptance of a delayed payment of the fee for issuing a patent to choose one or the other of the fees and standards under such regulations as the Commissioner may establish. Under the section the Commissioner could establish time limits within which petitions under each of the different fees and standards can be filed. The section establishes a fee of \$500 for filing each petition for revival or for acceptance of the delayed payment of an issue fee where the abandonment or the failure to pay the issue fee is unintentional. In order to prevent abuse and injury to the public the Commissioner could require a terminal disclaimer equivalent to the period of abandonment and could require applicants to act promptly after becoming aware of the abandonment. The

section establishes a fee of \$50 for filing a petition under sections 133 or 151 of title 35 in accordance with standards presently in effect requiring that the delay resulting in the abandonment, or the delay in payment of the issue fee, be unavoidable. Under this section a petition accompanied by either a fee of \$500 or a fee of \$50 would not be granted where the abandonment or the failure to pay the fee for issuing the patent was intentional as opposed to being unintentional or unavoidable. This section would permit the Commissioner to have more discretion than present law to revive abandoned applications and accept late payment of the fee for issuing a patent in appropriate circumstances.

Section 41(a)8 establishes fees for filing of petitions for extensions of time. Various time periods are set by the Office for taking actions on matters relating to patent applications. These time periods are set pursuant to statute or by regulations established by the Commissioner under the authority granted to the Commissioner by statute. This section would provide for fees for filing petitions to extend the time periods set pursuant to statute or by regulations for taking action within any limitations set by statute.

A fee of \$50 is established for filing a request for a first one month extension of time, an additional fee of \$100 for filing a request for a second one month extension of time which would expire two months after the end of the time period set for taking action, and an additional fee of \$200 for filing a request for a third one month extension of time which would expire three months after the end of the time period set for taking action. A subsequent or fourth extension could be requested if additional time was available under the statute. In no case could a period be extended beyond the maximum time set by statute.

The Commissioner may issue regulations providing when, within any maximum period permitted by statute, petitions for extensions of time, and the required fee therefor, may be filed. This section does preclude the Commissioner from waiving the fee for filing a petition for an extension of time where the Office extends the period due to equity considerations or sufficient cause.

Section 41(b) provides that the Commissioner charge the following fees for maintaining a patent other than a design or plant patent, in force: at three years and six months after grant, \$400; at seven years and six months after grant, \$800; and at eleven years and six months after grant, \$1,200. Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of a maintenance fee.

In order to avoid an inequitable loss of patent rights, the Commissioner is given the authority to accept payment of any maintenance fee after the six-month grace period if it is established that the delay in payment was unavoidable. It is intended that the Commissioner will issue regulations establishing guidelines for acceptance of late payment. After the expiration of a reasonable period of time, the patentee would bear a heavy burden of proof that the delay was unavoidable. A surcharge may be imposed by the Commissioner as a precondition to acceptance of a late fee. This surcharge may be in addition to any surcharge imposed for payment during the grace period.

A provision is included to protect the rights of one who began using or who took steps to begin use of a patent which expired for failure to pay a maintenance fee and which was subsequently reestablished by acceptance of the late payment. The intervening rights provision in section 41(c)(2) is similar to the intervening rights provision in 35 U.S.C. 252 concerning reissued patents.

Section 41(d) provides that the Commissioner establish fees for all other processing services, or materials related to patents not specified in section 41 at an amount calculated to recover the estimated average cost to the Office of such processing, services, or materials. Such processing and other services includes, but is not limited to, the processing of various petitions desiring certain actions to be taken regarding patent applications, recording of assignments, reexamination of patents and the processing of international applications. Fees for materials include the price of patent copies, certifications and other copying services. The yearly fee for providing a library specified in section 13 of title 35 with uncertified copies of the specifications and drawings for all patents issued in that year is set at \$50.

Section 41(f) provides that the fees established in subsections (a) and (b) of section 41 may be adjusted by the Commissioner on Oct. 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Changes of less than one per centum may be ignored by the Commissioner in making such adjustments.

Subsection (a) of section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), is being changed to grant the Commissioner discretion to establish the level of recovery of office costs related to trademarks. It is expected that the Commissioner will set the fees in a way that the filing fee will be kept as low as possible to foster use of the Federal registration system. This may require that other fees for services or materials related to trademarks recover more than their actual estimated cost in order that the Commissioner achieve in the aggregate adequate cost recovery for the entire trademark operation.

A provision is inserted in section 42(c) of title 35 in order to ensure that the trademark fees collected are used to fund trademark operations only and not the processing of patent applications.

SECTION 4

Section 3 of title 35 is amended by deleting specific reference to the number of examiners-in-chief in the first sentence. Elimination of the upper limit on the number of permanent members of the Board of Appeals would provide greater flexibility in filling most of its personnel needs, thereby avoiding an excess of examiner details. The authority to appoint acting examiners-in-chief, however, is maintained in order that temporary fluctuations in the workload of the Board may be accommodated.

SECTION 5

Under revised section 111 of title 35, the filing date of an application would be that on which the specification and any required drawings are received by the Patent and Trademark Office. The oath or declaration and filing fee could be submitted at such later time as established by the Commissioner, without any loss of the original filing date. Under the amendment, an applicant could either file the oath or declaration (including the applicant's signature) and fee together with an application or submit them at a later time as determined by the Commissioner.

The section would also authorize the imposition of a surcharge as a condition for accepting filing of the oath of payment of the filing fee after the filing date of the application. Since an application filed without the oath or declaration would not be signed or "made" by the applicant, the amendment permits a patent attorney or agent, authorized by the applicant, to submit the specification and drawings for the purpose of obtaining a filing date. Should the applicant, however, fail to file the oath or declaration, or pay the filing fee within the time limits set by the Commissioner, the application would be regarded as having been abandoned.

SECTION 6

The third paragraph of section 116 of title 35 is amended to enlarge the possibilities for correcting misnamed inventive entities. As a consequence, correction would be permitted also in cases where the person originally named as inventor was in fact not the inventor of the subject matter contained in the application. If such error occurred without any deceptive intention on the part of the true inventor, the Commissioner would have the authority to substitute the true inventor for the erroneously named person. Although probably rarer, instances such as changes from a mistakenly identified sole inventor to a different, but actual, joint inventors, conversions from erroneously identified joint inventors to different but actual, joint inventors, and conversions from erroneously identified joint inventors to a different, but actual, sole inventor would also be permitted. In each instance, however, the Commissioner must be assured of the presence of innocent error, without deceptive intention on the part of the true inventor or inventors, before permitting a substitution of a true inventor's name.

The ability to receive a filing date based on a specification and drawings without signature as set forth in revised section 111 of title 35, and to file the oath or declaration and pay the filing fee within such period as determined by the Commissioner is also available to joint inventors.

Section 256 of title 35, which is a companion to section 116, would be amended to similarly enlarge the possibilities for correction of misnamed inventors in issued patents.

SECTION 7

Section 6(d) of title 35, which provides for the allocation of appropriated Patent and Trademark Office funds to the Department of State for payment of United States financial obligations under the Patent Cooperation Treaty, is deleted. The Department of State has traditionally assumed responsibility for financial obligations for international agreements to which the United States adheres.

SECTION 8

Section 8(a) of the Trademark Act is amended to clarify that the continued use required to be shown in the sixth year be use "in commerce". Although it is believed by some that omission of the words "in commerce" may have been inadvertent in the 1946 Act, this section has been interpreted so that use in a foreign country, or use in intrastate commerce, is sufficient. Such interpretation is fundamentally in conflict with other requirements of the Act.

Section 8(b) of the Act is also amended to clarify that the continued use required to be shown in the sixth year be use "in commerce". Although it is believed by some that omission of the words "in commerce" may have been inadvertent in the 1946 Act, this section has been interpreted so that use in a foreign country, or use in intrastate commerce, is sufficient. Such interpretation is fundamentally in conflict with other requirements of the Act.

Section 8(b) of the Act is also amended to clarify that the continued use required to be shown in the sixth year be use "in commerce" for registrations published under section 12(c) of the Act. (This pertains to registrations issued under the Act of Mar. 3, 1881 and the Act of Feb. 20, 1905).

The word "still" has been deleted from section 8(a) and 8(b). Thus, the owner of a registration issued on the basis of a foreign registration under the provisions of section 44(e) of the Act will have to submit an affidavit to the effect that the mark is in use in commerce. Since the mark need not be used in commerce when it is registered, the requirement cannot be required to state that it is "still" in such use.

SECTION 9

Section 13 of the Trademark Act is amended to delete the requirement that an opposition be verified. The sentence which allowed an unverified application to be verified at a later date has been deleted. In addition, a phrase has been added to make it clear that any subsequent extension of time to file an opposition, beyond the first extension, must be requested before the end of the preceding extension.

Section 14 of the Trademark Act would also be amended to delete the requirement that a petition to cancel a registration be verified.

SECTION 10

Section 15 of the Trademark Act is amended to change the term "the publication" to "registration" in the first sentence. This change makes the date of registration rather than the date of publication

the crucial date for purposes of incontestability. It will also make section 15 consistent with sections 22 and 33 of the Act.

SECTION 11

Section 16 of the Trademark Act is amended to limit the declaration of interferences to those situations where a petition to the Commissioner shows that extraordinary circumstances exist, the rights of the parties can be determined adequately by the existing opposition and cancellation procedures. Additionally, if an interference is declared between an application and a registration and the applicant wins, a cancellation must still be initiated against the registration.

SECTION 12

A new subsection (a) has been added to section 21 of title 35 to authorize, but not to require, the Commissioner of Patents and Trademarks to give as the filing date of any paper or fee which is required to be filed in the Patent and Trademark Office the date on which the paper or fee was deposited with the United States Postal Service. The Commissioner may also give as the filing date of any paper or fee which was required to be filed in the Patent and Trademark Office the date it would have been deposited with the United States Postal Service but for postal service interruptions or emergencies which the Commissioner designates. The requirements governing whether any given paper or fee may be given the filing date of the day on which it was, or would have been deposited with the United States Postal Service will be set forth in regulations established by the Commissioner.

Section 21(b) of title 35 is identical to existing section 21 with two minor amendments. The word "federal" has been inserted before the phrase "holiday within the District of Columbia" to clarify the nature of the holiday.

SECTION 13

This section clarifies the authority of the Commissioner in section 6(a) of title 35 to enter into a wide range of cooperative agreements concerning the patent and trademark laws or the administration of the Patent and Trademark Office. These agreements are in addition to the exchange of publications authorized in 35 U.S.C. 11(b) and 12. These cooperative agreements may take the form of studies, programs, exchanges, and other similar ventures. Thus, the Patent and Trademark Office could, for example, exchange patent copies, non-patent literature, tapes or services in return for goods or services of value to the Patent and Trademark Office.

SECTION 14

The amendments of 35 U.S.C. 115 and Section 11 of the Trademark Act of 1946 recognize the Hague "Convention Abolishing the Requirement of Legalization for Foreign Public Documents" which entered into force in the United States on Oct. 15, 1981. The Convention abolishes the requirement of diplomatic or consular legalization for foreign public documents which are sworn to or acknowledged by a notary public in any of the countries adhering to the Convention. For documents executed by a notary public of all other foreign countries, diplomatic or consular legalization will still be required.

The amendment of 35 U.S.C. 261 is intended to give affirmative effect to acknowledgments executed pursuant to the Hague Convention.

SECTION 15

This section corrects an incorrect citation. Public Law 96-517 amended section 41 of title 35, United States Code, in a way which eliminated 35 U.S.C. § 41(a)(9). Unfortunately, section 13 of title 35, United States Code, was not amended accordingly by Public Law 96-517. This section corrects that oversight.

SECTION 16

This section sets a uniform term of fourteen years for all design patents.

SECTION 17

Sections 17(a) and (c) specify the effective dates of the Act. Section 17(a) also specifies that the maintenance fees provided for in section 3(b) of this Act will only apply to patents in which the application was filed on and after the date of enactment or to maintenance fees later established by law.

Section 17(b) adds a section to title 35 providing for the voluntary arbitration of patent disputes by the parties to the dispute. The section requires that the Commissioner be notified in writing of an award made by an arbitrator or modified by a court. Such notification will be entered in the record of the prosecution of the patent.

At present, agreements to arbitrate some aspects of disputes arising under patent licenses are enforceable by the courts; however, there have been court decisions that have disapproved arbitration of disputes concerning patent validity or infringement. In this regard, see, for example, *Zip Mfg. Co. v. Pep Mfg. Co.* 44 F.2d 184, 7 U.S.P.Q. 62 (D. Del. 1930) and *Beckman Instruments, Inc. v. Technical Developments Corp.* 433 F.2d 55, 167 U.S.P.Q. 10 (7th Cir. 1965).

Partly as a reaction to those decisions, during the 93rd Congress both the Department of Commerce and the Department of Justice endorsed a provision specifically authorizing arbitration of validity and infringement disputes. This provision, included in an omnibus patent law revision bill, S. 2504, was never enacted due to the many controversial aspects of that legislation.

In the view of the Committee, a statutory authorization of voluntary agreements to arbitrate validity and infringement disputes would benefit both the parties to these disputes and the public.

Statutory endorsement of arbitration agreements would assure the parties that they could avail themselves of the numerous advantages of arbitration without the possibility of having to reargue the dispute in court. The advantages of arbitration are many: it is usually cheaper and faster than litigation; it can have simpler procedural and evidentiary rules; it normally minimizes hostility and is less disruptive of ongoing and future business dealings among the parties; it is often more flexible in regard to scheduling of times and places of hearings and discovery devices; and, arbitrators are frequently better versed than judges and juries in the area of trade customs and the technologies involved in these disputes.

The enforcement of voluntary arbitration provisions would serve the public in two ways. First, the availability of arbitration with its numerous advantages will enhance the patent system and thus will encourage innovation. This view is supported by the Committee for Economic Development in their Jan. 1980 statement entitled "Stimulating Technological Progress." Secondly, arbitration could relieve some of the burdens on the overworked Federal courts. Chief Justice Burger in his speech to the American Bar Association on Jan. 24, 1982, generally endorsed the use of arbitration to reduce the judicial backlog. Also, I think it is important to note that the American Bar Association's Section on Patent, Trademark and Copyright Law has endorsed court enforcement of arbitration agreements calling for arbitration of validity and infringement.

The recommendations of the Secretary of Commerce to increase substantially patent and trademark user fees were made on the promise that such increases "will lay the groundwork for revitalizing the patent and trademark systems." The Secretary committed to three major goals: (1) to reach an average patent application pendency time of 18 months by FY 1987, (2) to issue an examiner's first action on trademark registrability in three months and disposal of an application within 13 months, and (3) to move realistically toward a fully automated Office by the 1990's. In accepting the Administration's recommendations on user fees, the Committee fully expects the Administration to live up to its end of the bargain to bring about a first-class Patent and Trademark Office. To provide an opportunity for timely and effective Committee oversight of progress toward improving the Patent and Trademark Office, the Committee directs that the Secretary of Commerce report annually to the Committee on progress toward achieving the three major goals of the Patent and Trademark Office, as outlined above, and, in addition, promptly inform the Committee at any time it appears that any of the goals, for any reason, is viewed as not attainable.

OVERSIGHT STATEMENT

The Committee on the Judiciary has oversight responsibility over the Patent and Trademark Office in the Department of Commerce. In addition to its ongoing oversight, the Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice held an oversight hearing with respect to the Patent and Trademark Office on Mar. 4, 1981, published as Oversight Hearings Before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the Committee on the Judiciary, House of Representatives, Ninety-Seventh Congress, First Session on the Copyright Office, The U.S. Patent and Trademark Office, and the Copyright Royalty Tribunal. Serial No. 17.

The Committee expects to continue its oversight activities in this area.

STATEMENT OF THE BUDGET COMMITTEE

No statement has been received on H.R. 6260 from the House Committee on the Budget.

STATEMENT OF THE CONGRESSIONAL BUDGET OFFICE

Pursuant to clause 7, rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the following is the cost estimate of H.R. 6260, as amended, prepared by the Congressional Budget Office.

U.S. CONGRESS
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 13, 1982.

Hon. PETER W. RODINO, Jr.,

Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 6260, a bill to authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely

Alice M. Rivlin,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 6260.
2. Bill title: A bill to authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes.
3. Bill status: As ordered reported by the House Committee on the Judiciary, May 11, 1982.
Bill purpose: H.R. 6260 would authorize 1982 appropriations at a level \$2.5 million above the amount already appropriated, and would provide a \$76 million authorization level in 1983 to carry out the activities of the Patent and Trademark Office (PTO). In addition, such sums as may be necessary are authorized for fiscal years 1984 and 1985, plus such additional or supplemental amounts

as may be necessary for increases in salary, pay, retirement, or other benefits authorized by law for each fiscal year 1983 through 1985. PTO would also have available for obligation offsetting fee collections as provided for in Public Law 96-517, plus the additional fees as specified in H.R. 6260.

Assuming enactment of H.R. 6260, total PTO collections over time would result in recovery of approximately 100 percent of patent and trademark processing costs. Individuals, small businesses, and non-profit institutions would be exempt from the proposed additional fees, however, but would continue to follow the fee schedule outlined in P.L. 96-517, which assumes the ultimate recovery of approximately 50 percent of all processing costs.

The President's 1982 budget includes a request for a \$2.5 million supplemental for the PTO. The Administration has recommended increasing user fees to ultimately recover 100 percent of processing costs beginning in 1983, but does not provide for any exemptions to the proposed fee increases relative to current law. The effect of exemptions is to increase by approximately \$8 million the authorized level of appropriations relative to the Administration's request.

In addition, the bill would make a number of other changes that are not expected to have a cost impact.

5. Cost estimate:
[By fiscal years, in millions of dollars]

	1982	1983	1984	1985	1986
Authorization level:					
Specified	2.5	76.0			
Estimated		6.8	86.4	86.8	
Subtotal	2.5	82.8	86.4	86.8	
Total estimated outlays	2.4	61.8	82.4	82.8	5.5

Including outlays from appropriations to date for PTO, total 1982 outlays are estimated to be \$121.5 million, and total 1983 outlays are estimated to be \$79.8.

The costs of this bill fall within budget subfunction 376.
6. Basis of estimate: The authorization levels for PTO for 1982 and 1983 are those specified in the bill. The estimate authorization levels for 1984 and 1985 assume a level of funding sufficient to maintain a program level of \$167 million and \$176 million, respectively, including offsetting collections. In addition, authorization for increases in pay and other benefits of approximately \$6.8 million, \$7.4 million, and \$7.8 million for fiscal years 1983 through 1985, respectively, were estimated based on CBO's current inflators. Outlays are based on historical spending patterns.

The estimated collections to PTO as a result of fees charged to cover the costs of processing trademarks and patents were provided by the agency, and assume the fee structure outlined in the bill. The estimated collections, under current law and under H.R. 6260, are shown in the table below.

[By fiscal years, in millions of dollars]

	1982	1983	1984	1985	1986
Estimated offsetting collections:					
Current law		47.8	52.7	57.7	
Added by H.R. 6260		31.2	35.3	39.3	
Total—H.R. 6260		79.0	88.0	97.0	

- 7. Estimate comparison: None.
- 8. Previous CBO estimate: None.
- 9. Estimate prepared by: Mary B. Maginniss.
- 10. Estimate approved by: C. G. Nuckols (James L. Blum, Assistant Director for Budget Analysis).

COMMITTEE VOTE

The Committee on the Judiciary ordered H.R. 6260 as amended reported by a voice vote, without objection being heard, with a quorum of Members being present.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 35, UNITED STATES CODE
PART 1—PATENT AND TRADEMARK OFFICE

CHAPTER 1—ESTABLISHMENT, OFFICERS, FUNCTIONS

§ 3. Officers and employees.

(a) There shall be in the Patent and Trademark Office a Commissioner of Patents and Trademarks, a Deputy Commissioner, two Assistant Commissioners, and [not more than fifteen] examiners-in-chief *appointed under section 7 of this title*. The Deputy Commissioner, or, in the event of a vacancy in that office, the Assistant Commissioner senior in date of appointment shall fill the office of Commissioner during a vacancy in that office until the Commissioner is appointed and takes office. The Commissioner of Patents and Trademarks, the Deputy Commissioner, and the Assistant Commissioners shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary of Commerce, upon the nomination of the Commissioner, in accordance with law shall appoint all other officers and employees.

* * * * *

§ 6. Duties of Commissioner.

(a) The Commissioner, under the direction of the Secretary of Commerce, shall superintend or perform all duties required by law respecting the granting and issuing of patents and the registration of trademarks; shall have the authority to carry on studies [and] programs, *or exchanges of items or services* regarding domestic and international patent and trademark law *or the administration of the Patent and Trademark Office*, and shall have charge of property belonging to the Patent and Trademark Office. He may, subject to the approval of the Secretary of Commerce, establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent and Trademark Office.

(b) The Commissioner, under the direction of the Secretary of Commerce, may, in coordination with the Department of State, carry on programs and studies cooperatively with foreign patent offices and international intergovernmental organizations, or may authorize such programs and studies to be carried on, in connection with the performance of duties stated in subsection (a) of this section.

(c) The Commissioner, under the direction of the Secretary of Commerce, may, with the concurrence of the Secretary of State, transfer funds appropriated to the Patent and Trademark Office, not to exceed \$100,000 in any year, to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and related matters. These special payments may be in addition to any other payments or contributions to the international organization and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the Government of the United States.

[(d) The Commissioner, under the direction of the Secretary of Commerce, may, with the concurrence of the Secretary of State, allocate funds appropriated to the Patent Office, to the Department of State for the purpose of payment of the share on the part of the United States to the working capital fund established under the Patent Cooperation Treaty. Contributions to cover the share on the part of the United States of any operating deficits of the International Bureau under the Patent Cooperation Treaty shall be included in the annual budget of the Patent Office and may be transferred by the Commissioner, under the direction of the Secretary of Commerce, to the Department of State for the purpose of making payments thereof to the International Bureau.]

* * * * *

§ 13. Copies of patents for public libraries.

The Commissioner may supply printed copies of specifications and drawings of patents to public libraries in the United States which shall maintain such copies for the use of the public, at the rate for each year's issue established for this purpose in section 41 [(a)9] (d) of this title.

* * * * *

CHAPTER 2—PROCEEDINGS IN THE PATENT AND TRADEMARK OFFICE

* * * * *

§ 21. [Day for taking action falling on Saturday, Sunday, or holiday] Filing date and day for taking action.

(a) *The Commissioner may by rule prescribe that any paper or fee required to be filed in the Patent and Trademark Office will be considered filed in the Office on the date on which it was deposited with the United States Postal Service or would have been deposited with the United States Postal Service but for postal service interruptions or emergencies designated by the Commissioner.*

(b) When the day, or the last day, for taking any action or paying any fee in the United States Patent and Trademark Office falls on Saturday, Sunday, or a *Federal* holiday within the District of Columbia, the action may be taken, or the fee paid, on the next succeeding secular or business day.

* * * * *

CHAPTER 4—PATENT FEES

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§ 41. Patent fees

[(a) The Commissioner of Patents will establish fees for the processing of an application for a patent, from filing through disposition by issuance or abandonment, for maintaining a patent in force, and for providing all other services and materials related to patents. No fee will be established for maintaining a design patent in force.

[(b) By the first day of the first fiscal year beginning on or after one calendar year after enactment of this Act, fees for the actual processing of an application for a patent, other than for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 25 per centum of the estimated average cost to the Office of such processing. By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for the processing of an application for a design patent, from filing through disposition by issuance or abandonment, will recover in aggregate 50 per centum of the estimated average cost to the Office of such processing.

[(c) By the fifteenth fiscal year following the date of enactment of this Act, fees for maintaining patents in force will recover 25 per centum of the estimated cost to the Office, for the year in which such maintenance fees are received, of the actual processing all applications for patents, other than for design patents, from filing through disposition by issuance or abandonment. Fees for maintaining a patent in force will be due three years and six months, seven years and six months, and eleven years and six months after the grant of the patent. Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an applicable maintenance fee.

[(d) By the first day of the first fiscal year beginning on or after one calendar year after enactment, fees for all other services or materials related to patents will recover the estimated average cost to the Office of performing the service or furnishing the material. The yearly fee for providing a library specified in section 13 of this title with uncertified printed copies of the specifications and drawings for all patents issued in that year will be \$50.]

(a) The Commissioner shall charge the following fees:

1. On filing each application for an original patent, except in design or plant cases, \$300; in addition, on filing or on presentation at any other time, \$30 for each claim in independent form which is in excess of three, \$10 for each claim (whether independent or dependent) which is in excess of twenty, and \$100 for each application containing a multiple dependent claim. For the purpose of computing fees, a multiple dependent claim as referred to in section 112 of this title or any claim depending therefrom shall be considered as separate dependent claims in accordance with the number of claims to which reference is made. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

2. For issuing each original or reissue patent, except in design or plant cases, \$500.

3. In design and plant cases:

- a. On filing each design application, \$125.
- b. On filing each plant application, \$200.
- c. On issuing each design patent, \$175.
- d. On issuing each plant patent, \$250.

4. On filing each application for the reissue of a patent, \$300; in addition, on filing or on presentation at any other time, \$30 for each claim in independent form which is in excess of the number of independent claims of the original patent, and \$10 for each claim (whether independent or dependent) which is in excess of twenty and also in excess of the number of claims of the original patent. Errors in payment of the additional fees may be rectified in accordance with regulations of the Commissioner.

5. On filing each disclaimer, \$50.

6. On filing an appeal from the examiner to the Board of Appeals, \$115; in addition, on filing a brief in support of the appeal, \$115, and on requesting an oral hearing before the Board of Appeals, \$100.

7. On filing each petition for the revival of an unintentionally abandoned application for a patent or for the unintentionally delayed payment of the fee for issuing each patent, \$500, unless the petition is filed under sections 133 or 151 of this title, in which case the fee shall be \$50.

8. For petitions for one-month extensions of time to take actions required by the Commissioner in an application:

- a. On filing a first petition, \$50.
 - b. On filing a second petition, \$100.
 - c. On filing a third or subsequent petition, \$200.
- (b) The Commissioner shall charge the following fees for maintaining a patent in force:
1. Three years and six months after grant, \$400.
 2. Seven years and six months after grant, \$800.
 3. Eleven years and six months after grant, \$1,200.

Unless payment of the applicable maintenance fee is received in the Patent and Trademark Office on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period. The Commissioner may require the payment of a surcharge as a condition of accepting within such six-month grace period the late payment of an applicable maintenance fee. No fee will be established for maintaining a design or plant patent in force.

(c)(1) The Commissioner may accept the payment of any maintenance fee required by subsection (b) of this section after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable. The Commissioner may require the payment of a surcharge as a condition of accepting payment of any maintenance fee after the six-month grace period. If the Commissioner accepts payment of a maintenance fee after the six-month grace period, the patent shall be considered as not having expired at the end of the grace period.

(2) No patent, the term of which has been maintained as a result of the acceptance of a payment of a maintenance fee under this subsection, shall abridge or affect the right of any person or his

successors in business who made, purchased or used after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used. The court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased, or used as specified, or for the manufacture, use or sale of which substantial preparation was made after the six-month grace period but before the acceptance of a maintenance fee under this subsection, and it may also provide for the continued practice of any process, practiced, or for the practice of which substantial preparation was made, after the six-month grace period but prior to the acceptance of a maintenance fee under this subsection, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced after the six-month grace period but before the acceptance of a maintenance fee under the subsection.

(d) The Commissioner will establish fees for all other processing, services, or materials related to patents not specified above to recover the estimated average cost to the Office of such processing, services, or materials. The yearly fee for providing a library specified in section 13 of this title with uncertified printed copies of the specifications and drawings for all patents issued in that year will be \$50.

(3) The Commissioner may waive the payment of any fee for any service or material related to patents in connection with an occasional or incidental request made by a department or agency of the Government, or any officer thereof. The Commissioner may provide any applicant issued a notice under section 132 of this title with a copy of the specifications and drawings for all patents referred to in that notice without charge.

[(f) Fees will be adjusted by the Commissioner to achieve the levels of recovery specified in this section; however, no patent application processing fee or fee for maintaining a patent in force will be adjusted more than once every three times.

(f) The fees established in subsection (a) and (b) of this section may be adjusted by the Commissioner on Oct. 1, 1985, and every third year thereafter, to reflect any fluctuations occurring during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. Changes of less than 1 per centum may be ignored.

(g) No fee established by the Commissioner under this section will take effect prior to sixty days following notice in the Federal Register.

§ 42. Patent and Trademark Office funding.

(a) All fees for services performed by or materials furnished by the Patent and Trademark Office will be payable to the Commissioner.

(b) All fees paid to the Commissioner and all appropriations for defraying the costs of the activities of the Patent and Trademark Office will be credited to the Patent and Trademark Office Appropriation Account in the Treasury of the United States, the provisions of section 725e of title 31, United States Code, notwithstanding.

(c) Revenues from fees will be available to the Commissioner of Patents to carry out, to the extent provided for in appropriation Acts, the activities of the Patent and Trademark Office. *Fees available to the Commissioner under section 31 of the Trademark Act of 1946, as amended (15 U.S.C. 1113), shall be used exclusively for the processing of trademark registrations and for other services and materials related to trademarks.*

(d) The Commissioner may refund any fee paid by mistake or any amount paid in excess of that required.

PART II—PATENTABILITY OF INVENTIONS AND GRANT OF PATENTS

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CHAPTER 11—APPLICATION FOR PATENT

* * * * *

§ 111. Application for patent

[Application for patent shall be made by the inventor, except as otherwise provided in this title, in writing to the Commissioner. Such application shall include: (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be signed by the applicant and accompanied by the fee required by law.]

SEC. 111. *Application for patent shall be made, or authorized to be made, by the inventor, except as otherwise provided in this title, in writing to the Commissioner. Such application shall include (1) a specification as prescribed by section 112 of this title; (2) a drawing as prescribed by section 113 of this title; and (3) an oath by the applicant as prescribed by section 115 of this title. The application must be accompanied by the fee required by law. The fee and oath may be submitted after the specification and any required drawing are submitted, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Commissioner. Upon failure to submit the fee and oath within such prescribed period, the application shall be regarded as abandoned, unless it is shown to the satisfaction of the Commissioner that the delay in submitting the fee and oath was unavoidable. The filing date of an application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office.*

* * * * *

§ 115. Oath of applicant

The applicant shall make oath that he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which

he solicits a patent; and shall state of what country he is a citizen. Such oath may be made before any person within the United States authorized by law to administer oaths, or when, made in a foreign country, before any diplomatic or consular office of the United States authorized to administer oaths, or before any officer having an official seal and authorized to administer oaths in the foreign country in which the applicant may be, whose authority [shall be] is proved by certificate of a diplomatic or consular officer of the United States, or *apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States* and such oath shall be valid if it complies with the laws of the state or country where made. When the application is made as provided in this title by a person other than the inventor, the oath may be so varied in form that it can be made by him.

§ 116. [Joint inventors] *Inventors.*

When an invention is made by two or more persons jointly, they shall apply for patent jointly and each sign the application and make the required oath, except as otherwise provided in this title.

If a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself and the omitted inventor. The Commissioner, on proof of the pertinent facts and after such notice to the omitted inventor as he prescribes, may grant a patent to the inventor making the application, subject to the same rights which the omitted inventor would have had if he had been joined. The omitted inventor may subsequently join in the application.

Whenever [a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error] *through error a person is named in an application for patent as the inventor, or through error an inventor is not named in an application*, and such error arose without any deceptive intention on his part, the Commissioner may permit the application to be amended accordingly, under such terms as he prescribes.

* * * * *

CHAPTER 16—DESIGNS

* * * * *

§ 173. Term of design patent.

[Patents for designs may be granted for the term of three years and six months, or for seven years, or for fourteen years, as the applicant, in his application, elects.]

Patents for designs shall be granted for the term of fourteen years.

* * * * *

PART III—PATENTS AND PROTECTION OF PATENT RIGHTS

* * * * *

CHAPTER 25—AMENDMENT AND CORRECTION OF PATENTS

* * * * *

§ 256. Misjoinder of inventor.

[Whenever a patent is issued on the application of persons as joint inventors and it appears that one of such persons was not in fact a joint inventor, and that he was included as a joint inventor by error and without any deceptive intention, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate deleting the name of the erroneously joined person from the patent.]

[Whenever a patent is issued and it appears that a person was a joint inventor, but was omitted by error and without deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate adding his name to the patent as a joint inventor.]

[The misjoinder or nonjoinder of joint inventors shall not invalidate a patent, if such error can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly.]

§ 256. Correction of named inventor.

Whenever through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent and such error arose without any deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate correcting such error.

The error of omitting inventors or naming persons who are not inventors shall not invalidate the patent in which such error occurred if it can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly.

CHAPTER 16—OWNERSHIP AND ASSIGNMENT

* * * * *

§ 261. Ownership; assignment.

Subject to the provisions of this title, patents shall have the attributes of personal property.

Applications for patent, patents, or any interest therein, shall be assignable in law by an instrument in writing. The applicant, patentee, or his assigns or legal representatives may in like manner grant and convey an exclusive right under his application for patent, or patents, to the whole or any specified part of the United States.

A certificate of acknowledgment under the hand and official seal of a person authorized to administer oaths within the United States, or, in a foreign country, of a diplomatic or consular officer of the United States or an officer authorized to administer oaths whose authority is proved by a certificate of a diplomatic or consular officer of the United States, or *apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States*, shall be prima facie evidence of the execution of an assignment, grant or conveyance of a patent or application for patent.

An assignment, grant or conveyance shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Patent and Trademark Office within three months from its date or prior to the date of such subsequent purchase or mortgage.

**CHAPTER 29—REMEDIES FOR INFRINGEMENT OF PATENT,
AND OTHER ACTIONS**

Sec.

281. Remedy for infringement of patent.

* * * * *

294. Voluntary arbitration.

* * * * *

§ 294. Voluntary arbitration.

(a) *A contract involving a patent or any right under a patent may contain a provision requiring arbitration of any dispute relating to patent validity or infringement arising under the contract. In the absence of such a provision, the parties to an existing patent validity or infringement dispute may agree in writing to settle such dispute by arbitration. Any such provision or agreement shall be valid, irrevocable, and enforceable, except for any grounds that exist at law or in equity for revocation of a contract.*

(b) *Arbitration of such disputes, awards by arbitrators and confirmation of awards shall be governed by title 9, United States Code, to the extent such title is not inconsistent with this section. In any such arbitration proceeding, the defenses provided for under section 282 of this title shall be considered by the arbitrator if raised by any party to the proceeding.*

(c) *An award by an arbitrator shall be final and binding between the parties to the arbitration but shall have no force or effect on any other person. The parties to an arbitration may agree that in the event a patent which is the subject matter of an award is subsequently determined to be invalid or unenforceable in a judgment rendered by a court to competent jurisdiction from which no appeal can or has been taken, such award may be modified by any court of competent jurisdiction upon application by any party to the arbitration. Any such modification shall govern the rights and obligations between such parties from the date of such modification.*

(d) *When an award is made by an arbitrator, the patentee, his assignee or licensee shall give notice thereof in writing to the Commissioner. There shall be a separate notice prepared for each patent involved in such proceeding. Such notice shall set forth the names and addresses of the parties, the name of the inventor, and the name of the patent owner, shall designate the number of the patent, and shall contain a copy of the award. If an award is modified by a court, the party requesting such modification shall give notice of such modification to the Commissioner. The Commissioner shall upon receipt of either notice, enter the same in the record of the prosecution of such patent. If the required notice is not filed with the Commissioner, any party to the proceeding may provide such notice to the Commissioner.*

(e) *The award shall be unenforceable until the notice required by subsection (d) is received by the Commissioner.*

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TRADEMARK ACT OF 1946

* * * * *

**Sec. 8 (a). Duration of registration—Cancellation at end of 6 years
unless affidavit of use filed.**

Each certificate of registration shall remain in force for 20 years: *Provided*, That the registration of any mark under the provisions of this Act shall be canceled by the Commissioner at the end of 6 years following its date, unless within 1 year next preceding the expiration of such 6 years the registrant shall file in the Patent and Trademark Office an affidavit showing that said mark is [still] in use *in commerce* or showing that its nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark. Special notice of the requirement for such affidavit shall be attached to each certificate of registration.

Sec. 8(b). Cancellation of republished prior registrations unless affidavit of use filed.

Any registration published under the provisions of subsection (c) of section 12 of this Act shall be canceled by the Commissioner at the end of 6 years after the date of such publication unless within 1 year next preceding the expiration of such 6 years and registrant shall file in the Patent and Trademark Office an affidavit showing that said marks is [still] in use *in commerce* or showing that its nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.

* * * * *

Sec. II. Acknowledgments and verifications.

Acknowledgments and verifications required hereunder may be made before any person within the United States authorized by law to administer oaths, or, when made in a foreign country, before any diplomatic or consular officer of the United States or before any official authorized to administer oaths in the foreign country concerned whose authority [shall] is proved by a certificate of a diplomatic or consular officer of the United States or *apostille of an official designated by a foreign country which, by treaty or convention, accords like effect to apostilles of designated officials in the United States*, and shall be valid if they comply with the laws of the state or country where made.

* * * * *

Sec. 13. Opposition to registration of marks on the Principal Register.

Any person who believes that he would be damaged by the registration of a mark upon the principal register may upon payment of the required fee, file [a verified] *an* opposition in the Patent and Trademark Office, stating the grounds therefor, within thirty days after the publication under subsection (a) of section 12 of this Act of the mark sought to be registered. Upon written request prior to the expiration of the thirty-day period, the time for filing opposition shall be extended for an additional thirty days, and further extensions of time for filing opposition may be granted by the Commissioner for good cause *when requested prior to the expiration of an extension*. The Commissioner shall notify the applicant 86 of each extension of the time for filing opposition. [An unverified opposition may be filed by a duly authorized attorney, but such opposition shall be null and void unless verified by the opposer within a reasonable time after such filing to be fixed by the Commissioner.] An opposition may be amended under such conditions as maybe prescribed by the Commissioner.

SEC. 14. A [verified] petition to cancel a registration of a mark, stating the grounds relied upon, may, upon payment of the prescribed fee, be filed by any person who believes that he is or will be damaged by the registration of a mark on the principal register established by this Act, or under the Act of Mar. 3, 1881, or the Act of Feb. 20, 1905—

- (a) within five years from the date of the registration of the mark under this Act; or
- (b) within five years from the date of publication under section 12(c) hereof of a mark registered under the Act of Mar. 3, 1881, or the Act of Feb. 20, 1905; or
- (c) at any time if the registered mark becomes the common descriptive name of an article or substance, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of section 4 or of subsections (a), (b), or (c) of section 2 of this Act for a registration hereunder, or contrary to similar prohibitory provisions of said prior Acts for a registration thereunder, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services in connection with which the mark is used; or
- (d) at any time if the mark is registered under the Act of Mar. 3, 1881, or the Act of Feb. 20, 1905, and has not been published under the provisions of subsection (c) of section 12 of this Act;

or

- (e) at any time in the case of a certification mark on the ground that the registrant (1) does not control, or is not able legitimately to exercise control over, the use of such mark, or (2) engages in the production or marketing of any goods or services to which the certification mark is applied, or (3) permits the use of the certification mark for purposes other than to certify, or (4) discriminately refuses to certify or to continue to certify the goods or services of any person who maintains the standards or conditions which such mark certifies:

Provided, That the Federal Trade Commission may apply to cancel on the grounds specified in subsections (c) and (e) of this section any mark registered on the principal register established by this Act, and the prescribed fee shall not be required.

Sec. 15. Incontestability under certain conditions of right to use mark.

Except on a ground for which application to cancel may be filed at any time under subsections (c) and (e) of section 14 of this Act, and except to the extent, if any, to which the use of a mark registered on the principal register infringes a valid right acquired under the law of any State or Territory by use of a mark or trade name continuing from a date prior to the date of [the publication] *registration* under this Act of such registered mark, the right of the registrant to use such registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for 5 consecutive years subsequent to the date of such registration and is still in use in commerce, shall be incontestable: *Provided*, That—

- (1) there has been no final decision adverse to registrant's claim of ownership of such mark for such goods or services, or to registrant's right to register the same or to keep the same on the register; and
- (2) there is no proceeding involving said rights pending in the Patent Office or in a court and not finally disposed of; and

(3) an affidavit is filed with the Commissioner within 1 year after the expiration of any such 5-year period setting forth those goods or services stated in the registration on or in connection with which such mark has been in continuous use for such 5 consecutive years and is still in use in commerce, and the other matters specified in subsections (1) and (2) hereof; and

(4) no incontestable right shall be acquired in a mark which is the common descriptive name of any article or substance, patented or otherwise.

Subject to the conditions above specified in this section, the incontestable right with reference to a mark registered under this Act shall apply to a mark registered under the Act of Mar. 3, 1881, or the Act of Feb. 20, 1905, upon the filing of the required affidavit with the Commissioner within 1 year after the expiration of any period of 5 consecutive years after the date of publication of a mark under the provisions of subsection (c) of section 12 of this Act.

The Commissioner shall notify any registrant who files the above-prescribed affidavit of the filing thereof.

Sec. 16. Interference.

[Whenever application is made for the registration of a mark which so resembles a mark previously registered by another, or for the registration of which another has previously made application, as to be likely when applied to the goods or when used in connection with the services of the applicant to cause confusion or mistake or to deceive, the Commissioner may declare that an interference exists.] Upon petition showing extraordinary circumstances, the Commissioner may declare that an interference exists when application is made for the registration of a mark which so resembles a mark previously registered by another, or for the registration of which another has previously made application, as to be likely when applied to the goods or when used in connection with the services of the applicant to cause confusion or mistake or to deceive. No interference shall be declared between an application and the registration of a mark the right to the use of which has become incontestable.

* * * * *

§ 31. Fees

(a) The Commissioner of Patents will establish fees for the filing and processing of an application for the registration of a trademark or other mark and for all other services performed by and materials furnished by the Patent and Trademark Office related to trademarks and other marks. [Fees will be set and adjusted by the Commissioner to recover in aggregate 50 per centum of the estimated average cost to the Office of such processing. Fees for all other services or materials related to trademarks and other marks will recover the estimated average cost to the Office of performing the service or furnishing the material.] However, no fee for the filing or processing of an application for the registration of a trademark or other mark or for the renewal or assignment of a trademark or other mark will be adjusted more than once every three years. No fee established under this section will take effect prior to sixty days following notice in the Federal Register.

(b) The Commissioner may waive the payment of any fee for any service or material related to trademarks or other marks in connection with an occasional request made by a department or agency of the Government, or any officer thereof. The Indian Arts and Crafts Board will not be charged any fee to register Government trademarks of genuineness and quality for Indian products or for products of particular Indian tribes and groups.

* * * * *

Aug. 27, 1982

[H.R. 6260]

Patent and
Trademark
Office

Appropriation
Authorization

(58)

Department of Commerce Patent and Trademark Office

37 CFR Part 1

Rules of Practice in Patent Cases; Reexamination Proceedings

Agency: Patent and Trademark Office, Commerce.

Action: Final rule.

Summary: The Patent and Trademark Office is amending its rules of practice in patent cases to provide procedures for the reexamination of patents. Public Law 96-517 amended the patent act to authorize reexamination proceedings as a means for improving the quality of United States patents. The Patent and Trademark Office intends, through this amendment of its rules, to provide patent owners and the public with guidance on the procedures the Office will follow in conducting reexamination proceedings.

Effective date: July 1, 1981.

For Further Information Contact: Mr. R. Franklin Burnett by telephone at [703]557-3054 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change relates to a procedure for reexamination of patents as provided for in Public Law 96-517, section 1 of which relates to reexamination and becomes effective on July 1, 1981.

Background:

A notice of proposed rulemaking was published in the Federal Register on Jan. 13, 1981 at 46 FR 3162-3175 and in the Official Gazette on Feb. 17, 1981 at 1003 O.G. 36-47.

The proposed rulemaking set forth two somewhat distinct procedures directed towards determining and improving the quality and reliability of United States patents. The procedures were (1) provisions for reexamination of patents as provided for in Pub. L. 96-517, section 1 of which relates to reexamination and becomes effective on July 1, 1981, and (2) provisions for inter partes protest proceedings in a patent application between the patent applicant and a member (or members) of the public who has (have) access to the application file.

An oral hearing was held on Apr. 16, 1981. Fifty-nine written letters and statements were submitted. Nineteen persons testified at the oral hearing which resulted in 107 pages of testimony.

Discussion of General Issues Involved

After careful consideration of the comments which have been received, the part of the proposed rulemaking relating to reexamination of patents as set forth in new Chapter 30 which Pub. L. 96-517 added to Title 35 of the United States Code [35 U.S.C. 301-307] is being adopted with certain changes. The remainder of the proposal relating to inter partes protest proceedings is not being adopted.

The comments relating to the proposed rules for inter partes protest proceedings were generally mixed, with a majority of persons and associations submitting comments either opposed to these proposed rules or indicating that adoption of the proposed rules should be delayed or deferred for further study and consideration.

A number of comments were received requesting some further changes to the rules be made. The thrust of some of the suggested changes would be to remove public access to reissue applications and to limit public participation in the examination of reissue applications. The changes suggested included restoring the rules in these areas to essentially their pre-1977 form. In particular, it was suggested that § 1.175 be amended to eliminate paragraph (a)(4). These changes were not a part of the published proposal and are not being adopted at this time. Their consideration and adoption would require a new notice of proposed rulemaking.

Further, since the subject matter of reissue applications is already known to the public the necessity for maintaining them in confidence is not compelling. The elimination of paragraph (a)(4) of § 1.175 would not have a significant effect since less than one-fourth of the currently filed reissue applications are based solely upon the 1977 change to § 1.175. Under the present circumstances, it is more appropriate to defer any consideration of such changes until this issue has been reviewed further and possibly until some experience is gained under the rules adopted herein relating to reexamination. Such experience may indicate the desirability of either retaining the 1977 change to § 1.175, deleting the 1977 change, or making different changes in the rules.

The comments relating to reexamination were generally favorable with most of the comments indicating general approval of the proposed rules. Among the more often mentioned specific comments were suggestions relating to public notice of reexamination requests and/or orders. A number of comments also related to requester and/or third party participation in the reexamination proceeding and also to the scope of the proceeding.

After careful review of the comments and suggestions it has been decided to adopt the suggestions relating to the publication in the *Official Gazette* of requests for reexamination for which the fee has been paid. In addition, any reexaminations ordered at the initiative of the Commissioner will also be announced in the *Official Gazette*. The announcement will include at least the date of the request or any Commissioner initiated order, a reexamination request or order control number, the patent number, title, class and subclass, name of the inventor, name of the patent owner of record, and the examining group to which the reexamination is assigned.

The suggestions and comments relating to more participation in the reexamination proceeding by the requester and third parties have been adopted only to a limited degree. The requester will in general have only that participation provided by the rules as proposed. However, any citations under § 1.501 by any person will be entered in the patent file up until the date of an order to reexamine. The essentially ex parte nature of the proceeding is believed to be in keeping with the spirit and intent of the statute

even though the statute does not require ex parte proceedings. Ex parte proceedings will minimize the costs and other effects of reexamination requests on patentees, especially individuals and small businesses.

The scope of the reexamination proceeding which was originally proposed has been essentially adopted in the final rules. The suggestions that the rules be broadened to include other issues have not been adopted since the other issues would unduly complicate the proceedings, raise the expense of the proceedings and raise questions whether such issues can be considered under Pub. L. 96-517.

Discussion of the Major Specific Issues Involved

The rules relating to reexamination proceedings are directed to the procedures set forth in new Chapter 30 of Title 35 of the United States Code (35 U.S.C. 301-307). This Chapter provides for the citation of prior art in patents, filing of requests for reexamination, decisions on such requests, reexamination and appeal from reexamination decisions, and the issuance of a certificate at the termination of the reexamination proceedings. Present §§ 1.1, 1.5, 1.11, 1.33, 1.34, 1.36, 1.104, 1.107, 1.109, 1.111, 1.112, 1.113, 1.115, 1.116, 1.121, 1.191, 1.192, 1.196, 1.197, 1.231, 1.248, 1.301, and 1.303 are amended to provide for reexamination procedures. A new "Subpart D-Reexamination of Patents" includes new §§ 1.501, 1.510, 1.515, 1.520, 1.525, 1.530, 1.535, 1.540, 1.550, 1.552, 1.555, 1.560, 1.565, and 1.570. Paragraph (b) of § 1.291, relating to prior art citations in patents, is deleted, since provisions therefor appear in § 1.501.

Section 1.1, as amended, provides for communications relating to reexamination proceedings to be marked "Box Reexam" to speed internal Office mail processing. No comments were received concerning this section. The proposal has been modified to indicate that only requests should be marked "Box Reexam".

Section 1.5, as amended, provides for all letters relating to a reexamination proceeding to be identified by patent number and a reexamination request control number. No comments were received concerning this section. Section 1.5 has been modified to also include reference to the Group Art Unit and the examiner, if known.

Section 1.11, as amended, provides for all papers made of record in reexamination proceedings to be open to inspection and copying by the public. Eighteen comments were received relating to publication of a notice in the *Official Gazette*. A new paragraph (c) has been added which provides for the publication of requests with sufficient fees paid and orders initiated by the Commissioner. Proposed paragraph "c" has been adopted as paragraph "d".

Section 1.33, as amended, has a new paragraph (c) relating to which address communications for the patent owner will be sent and who may sign papers filed. Four comments were received on this section relating to whom the mail should be addressed. One proposal, which suggested use of the current address of the attorney or agent of record, was adopted.

Section 1.34, as amended, provides for the appointment of an attorney or agent in a reexamination proceeding. Only one comment was received on this section which proposed a rule specifically allowing attorneys to file requests without identifying their clients. Since any person may request reexamination, such a rule is not felt necessary.

Section 1.36, as amended, provides for the revocation and withdrawal of powers of attorney in a reexamination proceeding. No comment was received. Section 1.36 is adopted as proposed with an additional change which added "or her" near the end.

Section 1.104, as amended, broadens the present section to also include reexamination. Three comments were received on § 1.104. All comments indicated that the examiner should not make a prior art search. Although no complete new search by the examiner is required, the use of patents and printed publications in addition to those submitted by the requester is clearly indicated in 35 U.S.C. 303(a). According, § 1.104 is adopted as proposed.

Section 1.107, as amended, provides for the citation of prior art by the examiner in a reexamination proceeding. The amended rule also refers to foreign published applications, as well as patents. No comments were received on this section. It is adopted as proposed.

Section 1.109, as amended, provides for the examiner to supply reasons for allowance in a reexamination proceeding if the examiner believes that the record does not make clear the reasons for allowing a claim or claims. No comments were received on this section. Except for a clarifying change in language, it is adopted as proposed.

Section 1.111, as amended, provides for replies by the patent owner in a reexamination proceeding. One comment was received which suggested a clarification. The suggestion was adopted. Other non-substantive changes have been made in the proposed section to shorten the sentences for clarity.

Section 1.112, as amended, provides for reexamination and reconsideration of the patent under reexamination after responses by the patent owner. Three comments were received on this section.

The wording has been changed as suggested to avoid any confusion between "reexamination" and "reexamine". The sentences have also been shortened for clarity.

Section 1.113, as amended, provides for a final rejection or action in a reexamination proceeding. One comment was received which pointed out a possible conflict between the amendment rights of section 305 and the final rejection of section 1.113. No problem is seen in this regard because of the provision of section 305 which states that "reexamination will be conducted according to the procedures established for initial examination." The section is adopted as proposed with the last sentence being divided into two sentences for clarity.

Section 1.115, as amended, provides for amendments by the patent owner in a reexamination proceeding. No comments were received concerning this section. The section is adopted as proposed with minor changes for clarity.

Section 1.116, as amended, provides for amendments after final action in reexamination proceedings. One comment was received which was the same as that mentioned and responded to in Section 1.113 above. The sentences have been shortened for clarity.

Section 1.121, as amended, contains a new paragraph (f) which requires a complete copy of any new or amended claim when presented during reexamination proceedings. Two persons commented on this section. One proposed side-by-side presentation of amended and original claims. The other proposed that exactly the same procedure be used as is now in effect for amending reissue claims. Neither suggestion was adopted since neither lends itself to printing only the amended claims in a certificate as easily as the procedure set forth in § 1.121(f). The proposed section was revised to also provide for the amendment of the description. In addition, the last three sentences of § 1.510(e) have been inserted as the last three sentences of § 1.121(f) in order to provide a more complete description therein of the manner of making amendments, including the numbering of claims, the restriction on scope of the claims and the prohibition against the introduction of new matter.

Section 1.191, as amended, provides for appeal to the Board of Appeals by the patent owner from any decision adverse to patentability, in accordance with 35 U.S.C. 306. One comment was received on proposed § 1.191 which urged that the requester should also be entitled to appeal. This proposal was not adopted because it is not provided for in the law and could result in harassment if permitted. The section is adopted as proposed except that "primary" contained in the existing rule is retained.

Section 1.192, as amended, provides two months from the date of the Notice of Appeal for the patent owner to file an appeal brief in a reexamination proceeding. Five comments were received relating to § 1.192 which proposed that the period for filing an appeal brief in a reexamination appeal be two months as in other appeals. The proposed rule has been adopted with the suggested two month period. The sentences have been shortened for clarity.

Section 1.196 and § 1.197 are being amended to refer to "appellants", which is a term which includes both applicants and patent owners.

These two sections were not published for comment, however, the issues involved were presented in proposed §§ 1.191 and 1.192. Paragraph (c) of § 1.197 has also been rewritten for clarity.

Section 1.231(a)(1), as amended, provides for a motion that a patent claim is unpatentable in an interference proceeding where reexamination thereof has also been requested.

Three comments were received concerning § 1.231. All comments related to when interference or reexamination proceedings would be suspended. Section 1.565 provides basis for such suspensions. Decisions will be made on a case by case basis, depending on the particular fact situation. The sentences in § 1.231(a)(1) have been shortened and rearranged for clarity.

An amendment was proposed to delete the last two sentences of § 1.247 relating to proof of service. No comments were received concerning this section but, on reconsideration, no need for such deletion is felt necessary and no change is being adopted.

Section 1.248, as amended, includes a new paragraph (b) relating to methods of serving papers and proof of service. No comments were received concerning this section. The section is adopted as proposed with minor changes for clarity and to conform to the Federal Rules of Civil Procedure.

Section 1.291, as amended, deletes paragraph (b). Former paragraph (b) dealt with the citation of prior art provisions. It was deleted since the provisions are now covered by § 1.501. Five persons commented on § 1.291. One comment relating to filing protests in reexamination proceedings was not adopted since such proceedings are ex parte in nature and are limited to consideration of prior art patents and printed publications cited by the public prior to the order. Two persons mentioned providing a procedure for citation of prior art by patentees. Citation of prior art by patentees is included in § 1.501. The two other comments related to the content of protest proceedings, which are not part of this final rule. Section 1.291 is adopted as proposed except that the paragraph designation of (c) is not being changed.

Section 1.301, as amended, provides for appeal by the owner of a patent in reexamination proceedings to the U.S. Court of Customs and Patent Appeals. Four comments were received relating to § 1.301. One person suggested the insertion of "any" as the fourth word in the section. This suggestion was adopted. The other three comments related to appeals in inter partes protest proceedings which are not a part of this promulgation. Section 1.301 is adopted as proposed with only the above mentioned change.

Section 1.303, as amended, provides for remedy by civil action under 35 U.S.C. 145 for the owner of a patent in reexamination proceedings. No comments were received concerning this section. The changes from the proposal are the insertion of "any" as the fourth word in the section as suggested in § 1.301 and the addition of, "306" to the title.

New § 1.501 provides a system for citation of patents and printed publications to the Patent and Trademark Office for placement in the patent file by any person during the period of enforceability of the patent in accordance with 35 U.S.C. 301. Seventeen persons commented on § 1.501. Nine comments indicated that citations should be limited to patents or printed publications. Six comments indicated that persons citing art should be required to apply it to at least one claim. Three persons held the opposite view. The final rule wording provides for citations limited to patents and printed publications where the person making the citation states the pertinency and applicability of the citation to the patent and the bearing the citation has on the patentability of at least one claim of the patent. The final rule provides that a citation made by the patent owner may include an explanation of how the claims differ from the prior art cited. Any citations which include items other than patents and printed publications will not be entered in the patent file. This does not, of course, limit in any manner the kinds and types of information which can be relied upon in protests against pending patent applications, whether such be original applications or reissue applications. Four persons stated that a separate letter requesting confidentiality should be required in cases desiring confidentiality. This provision was not considered to be necessary. One comment requested clarification of the term "period of enforceability of a patent." The meaning of this term appears to be clear since it includes any period for which recovery can be had for infringement. Under usual circumstances, this would be the term of the patent plus the six years provided by 35 U.S.C. 286. Five comments were received relating the paragraph (c) concerning service of citations on the patent owner. The wording has been clarified. A suggestion was made that prior art copies and translations of non-English documents be required. This suggestion was not adopted since such documents are not absolutely essential until a request for

reexamination has been filed. However, if the person citing the patents or printed publications desires that they be considered in any subsequent reexamination proceedings, copies and any necessary English translation should be included with the citation. A proposal was also made to charge a fee to prevent harassment. This proposal was not adopted since the mere citation of prior art is not considered to constitute harassment. A suggestion was made to change the title of the section. This suggestion was adopted in slightly modified form.

New § 1.510 sets forth procedures for any person to request reexamination in accordance with 35 U.S.C. 302. Paragraph (a) of new § 1.510 limits the period for such request to the period of enforceability of the patent for which the request is filed and requires payment of the fee for requesting reexamination. Paragraph (b) of new § 1.510 indicates what each request for reexamination must include. Paragraph (c) of new § 1.510 indicates under which conditions a request for reexamination will be considered. Paragraph (d) of new § 1.510 indicates the date on which the entire fee is received will be considered to be the date of the request for reexamination. Upon reconsideration of the paragraph as proposed, it was considered more appropriate to base the filing date of the request for reexamination on the receipt of the fee for requesting reexamination rather than include other matters. Proposed paragraph (d) has been amended accordingly and is adopted. Paragraph (e) of new § 1.510 covers amendments which a patent owner can propose. Such amendments can accompany a request for reexamination by the patent owner. The paragraph, with changes in wording for clarity, is adopted as proposed. A new paragraph (f) was added to clarify that requests for reexamination may be filed by attorneys or agents on behalf of a requester. Nineteen persons commented on § 1.510. One person inquired as to whether confidential requests would be accepted. In response thereto, § 1.510 provides that any person may file a request for reexamination. That person's name will not be maintained in confidence. One suggestion was made to permit comment and rebuttal before the decision under § 1.515. No need for such a procedure is seen since the only question to be considered is whether or not a substantial new question of patentability has been raised. An opportunity for comment and rebuttal is provided after the issuance of the order. One comment was received which desired provision for supplemental requests at a reduced fee. This proposal was not adopted since it is felt that all requesters should share equally in the cost. One comment was received which proposed that duplicate copies of the request be filed in the Office so that one copy would be available for public inspection at all times. This proposal was not adopted since it would appear to create more problems than it would solve. One comment was received that only "readily available" translations should be required. It is felt that if a document is considered to be sufficiently pertinent to request reexamination, that an English translation should be provided to insure complete and proper consideration. A suggestion was made relating to paragraph (b)(5) that direct service be limited to registered patent attorneys. No need for such a restriction is seen. Various other comments relating to procedures were considered but were not adopted.

New § 1.515 relates to a determination as to whether the request has presented a substantial new question of patentability under 35 U.S.C. 303. Paragraph (a) of new § 1.515 requires that the determination be made within 3 months of the filing date of the request. Paragraph (b) of new § 1.515 refers to the refund provisions. Paragraph (c) of new § 1.515 provides for review by petition to the Commissioner of any decision refusing reexamination. Seven persons commented on § 1.515. Several comments were received suggesting that the term "reexamination" should be dropped before "examiner". This proposal was adopted. Several persons requested that all art cited in the patent file at the time of the order under § 1.525 be considered when deciding whether a substantial new question of patentability is presented in the request. This is possible under the provision of § 1.515(a) which permits "consideration of other patents or printed publications", but is not required insofar as prior art not relied upon in the request is concerned. One person suggested that "is" be changed to "affirms" in paragraph (c). This proposal has been adopted. One commentator questioned whether a right to review was available under paragraph (c) if reexamination was ordered. No right to review exists in such a case because all claims will be reviewed in view of all prior art during the reexamination under § 1.550.

New § 1.520 provides for reexamination at the initiative of the Commissioner under the provisions of the last sentence of paragraph (a) of 35 U.S.C. 303. Six persons commented on § 1.520. One comment was received that indicated that the section did not include a reference to patents "discovered by the Commissioner" which is contained in 35 U.S.C. 303(a). This phrase has been added to the rule. A request was made that the sentence "Normally requests from outside will not be considered." be deleted from the rule. The sentence is being retained since the rule wording provides an easy reference for Office policy. Two comments were received that indicated a desire to have any decisions not to reexamine in Commissioner initiated situations be made part of the patent file. This proposal was not adopted since the basis for not reexamining may involve many policy issues in addition to whether a substantial new question of patentability exists in the case. If all papers in such a case would be made part of a file, it may lead to conclusions that there are no new questions of patentability when this question may not have been addressed because the reexamination was not ordered for other reasons such as little or no interest in a patent about to expire. One comment stated that the section safeguards the rights of the patentee. The language referring to the designation and delegation of authority to appropriate Patent and Trademark Office officials is deleted as unnecessary since the Commissioner's authority to designate and delegate is implicit and understood.

New § 1.525 provides for ordering reexamination where a substantial new question of patentability has been found pursuant to §§ 1.515 or 1.520. Six comments were received relating to § 1.525. One comment was made that the attorney should be able to return notices to the sender if he is unable to contact the patent owner. This topic has not been added to the rules but will be handled on a case by case basis. One comment requested that the patent owner have the option to request that the reexamination be performed by an examiner (1) other than the original examiner, or (2) other than the examiner who issued the order. Comments were also received on both sides of the question as to whether the original examiner should conduct the reexamination. In response, it would appear to be inappropriate to allow an interested party to select the examiner. Under the section, the only limitation placed on the selection of the examiner by the Office is that the same examiner whose decision was reversed on petition ordinarily will not conduct the reexamination. Paragraph (b) has been changed to provide that the notices published in the *Official Gazette* will be considered to be constructive notice.

New § 1.530 relates to the statement and proposed amendments provided for in the second sentence of 35 U.S.C. 304. Amendments submitted by the patent owner cannot enlarge the scope of a claim in the patent. Amendments will not be effectively entered into the patent until the certificate under § 1.570 and 35 U.S.C. 307 is issued. Nine comments were received on § 1.530. Several persons felt that the patent owner should be allowed to comment before the decision under § 1.515 is made. Providing for such a comment would delay the decision under § 1.515 which must be made within three months following the filing date of the request. Further, no need is seen for a statement relating to whether a new question of patentability is present since the patent owner has the opportunity to address any issues of patentability only after the first Office action. One comment questioned whether paragraph (d) also related to the description. This paragraph has been amended to clarify the matter. One person questioned whether an amendment could be filed with a statement. Paragraph (b) clearly answers this question in the affirmative. Several comments requested more time than two months for the patent owner to file a statement. In reply, the law in section 304 indicates that a reasonable period of not less than two months be provided for the patent owner's statement. If the period is too short in particular situations, extensions of time can be requested. It is felt that two months should be retained in the rule in view of the "Special Dispatch" required in reexamination cases. The proposed second sentence of paragraph (b) has not been adopted since § 1.525(b) now provides for the publication of notices of the filing of all requests which are accompanied by the proper fee.

New § 1.535 provides for reply by the reexamination requester to the statement under § 1.530 of the patent owner and for service on the patent owner of any such reply. The last sentence of proposed § 1.540 has been added as the last sentence

of § 1.535. Five persons commented on § 1.535. Four persons indicated that the requester should be given additional opportunity to comment. The reasons for the limited participation are that it is all that is required under the law, it prevents to a great degree, harassment of a patent owner, it results in a less expensive proceeding for all parties, and it results in an earlier conclusion of the proceedings.

New § 1.540 relates to the consideration of statements under § 1.530 and replies under § 1.535. One comment was received that the phrase "may result in their being refused" was worded too loosely. In the absence of any specific suggestion, the proposed wording is considered to be adequate and is adopted as proposed. In addition, it is appropriate that the Office retain discretion as to consideration in such cases.

New § 1.550 covers the basic items relating to the conduct of reexamination proceedings. These proceedings basically follow the same procedures used for examining patent applications. The patent owner will be required to serve the reexamination requester with any response by the patent owner to the Office, in order to remove the necessity of the requester having to continuously monitor the file wrapper. Fourteen persons commented on § 1.550.

Several persons commented that they felt that at least some input by third parties should be permitted. Paragraph (e) has been revised to permit third party input up until the time of the order. Several comments were received that the periods for response should be extended to be similar to those in regular application Office actions. Although problems may arise in certain cases and extensions of time may be granted, it is felt that relatively short response times are necessary in order to process reexaminations with "special dispatch." A question was raised as to the effect of failure to respond to an Office action. Paragraph (d) has been amended to clarify this matter.

New § 1.552 covers the scope of reexamination in a reexamination proceeding. While it is not intended that the examiners will routinely complete a new search when conducting reexamination, the examiners will be free to, and will, very likely, conduct additional searches and cite and apply additional prior patents and publications when they consider it is appropriate and beneficial to do so. Insofar as the actual reexamination is concerned, the examination as to original patent claims is only on the basis of patents or printed publications. However, narrowed amended claims or new claims limited to the original disclosure will also be examined for compliance with other sections of the statute (35 U.S.C. 112 and 132) which are necessary in order to ensure that any amended or new claims are supported, valid, and do not introduce new matter. New § 1.552 also provides that questions relating to matters other than those identified in paragraphs (a) and (b) of the section would merely be noted by the examiner as being an open question in the record. Patent owners could then file a reissue application if they wish such questions to be resolved. Ten persons commented on § 1.552. Several persons commented that the question of fraud should be considered in reexamination proceedings. Comments were also received that the proceedings should be limited to patents and printed publications. The rules have been written to follow the statute which speaks only to reexamination based on patents and printed publications. Mixed comments were also received concerning the retention of the second sentence of paragraph (c). The paragraph is being adopted as proposed with the addition of a reference to the fact that the examiner will note the existence of unresolved questions in an Office action. In addition, the phrase "raised or" has been deleted from paragraph (c) as unnecessary.

New § 1.555 covers the duty of disclosure by a patent owner in a reexamination proceeding involving the owner's patent. Nine persons commented on § 1.555. Four persons supported placing a duty of disclosure on the patent owner. One comment was received that an oath or declaration be required of the patent owner in a reexamination so as to minimize the appearance and occurrence of any fraudulent acts and to emphasize the patentee's obligation of candor. While the suggestion for an oath or declaration has not been adopted, § 1.555 does place an obligation of candor on the patent owner insofar as bringing patents or printed publications to the attention of the Office is concerned. The necessity for an oath or declaration in addition to the obligation placed on the patent owner by § 1.555 is not apparent at this time. Accordingly, the suggestion has not been adopted. Two persons felt the duty of disclosure should apply

to both the patent owner and requester. This proposal was not adopted since no sanction could be easily applied against the requester who violated such a rule. One person suggested broadening the duty requirements to include information in addition to patents and printed publications. Although such a practice may be desirable, no need is seen to require information under the reexamination rules which cannot be used during the reexamination. One person felt that there should be no duty of disclosure requirement in reexamination proceedings since the Office will be considering specific prior art and the presence or absence of other prior art does not seem terribly relevant. This suggestion was not adopted since the issue of patentability is not limited to the specific prior art presented and the duty to disclose is consistent with current practice under § 1.56. The section is adopted as proposed except for the indication that prior art statements should be filed in accordance with § 1.98. Also, the section has been divided into two sentences for clarity.

New § 1.560 relates to the conduct of interviews in reexamination proceedings. Seven comments were received directed to § 1.560. One comment requested elimination of interviews. This suggestion was not adopted since interviews have been found to be very helpful in resolving issues. Five comments were received which indicated that the requester should be permitted to attend all interviews. This suggestion was not adopted because of the otherwise ex parte nature of the examination. Two comments were received which indicated that interviews should be permitted before the first Office action. This suggestion was not adopted since such interviews would be held at a time when the Office has not yet taken a position on the allowability of the claims under reexamination. Section 1.560 is adopted as proposed.

New § 1.565 provides for the Commissioner to determine which, if any, proceedings should be stayed, consolidated, or suspended, if concurrent proceedings involving the patent under reexamination are instituted or in progress. Four comments were received concerning § 1.565. One comment pointed out the desirability of combining pending reexamination proceedings. This concept has been accepted and a new paragraph (c) has been added to cover this matter. Two comments voiced concern over the possibility of delay resulting from stayed, suspended or combined cases. Although some delay may result, it is felt that a resolution of all issues should occur at an earlier date. Decisions as to whether to delay or combine cases will be made on a case by case basis to minimize delays and to protect the interests of all parties concerned. One comment was made to allow the patent owner to comment prior to any decision to stay proceedings by the Commissioner. The desirability of such comment will be decided on a case by case basis and is not considered desirable for placement in the rules. The addition of paragraph (c) and the insertion of "is or" before "becomes" in the first sentence of paragraph (b) are the only changes from the proposed rule.

New § 1.570 concerns the issuance of the reexamination certificate under 35 U.S.C. 307 after conclusion of reexamination proceedings. The certificate will cancel any patent claims determined to be unpatentable, confirm any patent claims determined to be patentable, and incorporate into the patent any amended or new claim determined to be patentable. Three commentors mentioned § 1.570. Two persons questioned the statutory authority for paragraph (d). In response to the concern for statutory authority, it is the position of the Office that once all of the claims have been canceled from the patent, the patent ceases to be enforceable for any purpose. Accordingly, any pending reissue or other Office proceeding relating to a patent in which such a certificate has been issued will be terminated. This provides a degree of assurance to the public that patents with all the claims canceled via reexamination proceedings will not again be asserted. One commentor indicated that copies of the certificate should be part of subsequently sold copies of the patent. Such a practice is intended but is not being made part of the regulations.

Environmental, energy, and other consideration: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354).

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291.

[Text of adopted rules appears in 37 CFR, revised July 1, 1982.]

May 12, 1981.

RENE D. TEGTMEYER,
*Acting Commissioner of
Patents and Trademarks.*

May 15, 1981.

ROBERT B. ELLERT,
*Acting Assistant Secretary
for Productivity, Technology,
and Innovation.*

[FR Doc. 81-16031 Filed 5-26-81; 8:45 am]

[1007 O.G. 30]

(59)

**Department of Commerce
Patent and Trademark Office
37 CFR Parts 1 & 5
[Docket No. 21223-259]**

Revision of Patent Procedure

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases, Part 1 of 37 CFR, to implement the sections of Public Law 97-247 of 1982 which become effective on Feb. 27, 1983, and to make other miscellaneous changes. The other miscellaneous changes are being made to clarify and improve the rules where appropriate. The rulemaking also is amending Part 5 of 37 CFR to establish procedures for expediting the granting of a license under 35 U.S.C. 184 permitting the filing of a patent application in a foreign country.
Effective Date: Feb. 27, 1983.

For Further Information Contact: R. Franklin Burnett by telephone at (703) 557-3054 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to 1) implement the changes in practice in the Patent and Trademark Office provided for in Public Law 97-247 enacted on Aug. 27, 1982; 2) clarify or rewrite certain rules; and 3) expedite the granting of licenses under 35 U.S.C. 184.

This rule change contains a number of changes in practice designed to benefit both the Patent and Trademark Office in its handling of its mission and the public the Office serves. Certain of the changes are housekeeping in nature.

A number of final rules have already been issued to implement Public Law 97-247. A final rule on "Revision of Patent and Trademark Fees" was published on July 30, 1982 at 47 FR 33086-33112 with corrections in the printing thereof being published on Aug. 4, 1982, at 47 FR 33688 and on Aug. 5, 1982, at 47 FR 33959. The final rule was also published in the *Official Gazette* on Aug. 10, 1982, at 1021 O.G. 19-94. A final rule relating to definitions of "independent inventor" and "nonprofit organizations" was published on Sept. 10, 1982 at 47 FR 40134-40140 and on Sept. 21, 1982 at 1022 O.G. 29-46. A "Revision of Patent and Trademark Fees Confirmation" was published on Sept. 17, 1982 at 47 FR 41272-41283 and on Sept. 28, 1982 at 1022 O.G. 61-97. A final rule relating to the definition of "small business concern" was published on Sept. 30, 1982 at 47 FR 43272-43276 and on Oct. 19, 1982 at 1023 O.G. 23-29.

**Discussion of Specific Rules and Significant Differences
Between Proposed and Final Rules:**

Section 1.4

Section 1.4 is amended as proposed to add a reference to Subpart D relating to citation of prior art and reexamination.

Section 1.6

Section 1.6 is amended as proposed to insert "federal" before "holidays" in paragraphs 1.6(a)-(c) in accordance with § 21(b) of Title 35, United States Code, as amended by Public Law 97-247. New paragraph 1.6(d) will establish in the regulations a

procedure under which papers and fees which could not be filed on a particular date because of an interruption or emergency in the United States Postal Service which is so designated by the Commissioner, may be promptly filed after the ending of such a designated interruption or emergency and be considered as having been filed on that particular date. Authority for such a practice is found in § 21(a) of Title 35, United States Code, as amended by Public Law 97-247.

Section 1.7

Section 1.7 is amended as proposed to insert "federal" before "holiday" in accordance with 35 U.S.C. 21(b), as amended by Public Law 97-247.

Section 1.8

Section 1.8 is amended to remove in paragraph 1.8(a) the references to §§ 3.55 and 4.23, which sections were removed from the rules by the rulemaking entitled "Revision of Patent and Trademark Fees" published in the Federal Register on September 10, 1982 at 47 Fed. Reg. 40134-40140. The change in paragraph 1.8(a)(i) results from the change made in § 111 of Title 35, United States Code, by Public Law 97-247. Under the revised rule, the certificate of mailing procedure would be available for filing patent oaths or declarations and filing fees. However, the certificate of mailing procedure could not be used for filing patent specifications and drawings to obtain a filing date. Such papers can be filed under new § 1.10. The final rule clarifies that each paper or fee filed under § 1.8 must include its own certificate of mailing. The proposed amendment to § 1.8(a)(viii) referring to the Court of Appeals for the Federal Circuit rather than to the Court of Customs and Patent Appeals, has been adopted as a final rule as published on Oct. 26, 1982 at 47 FR 47380-47382 and therefore is not republished here.

Section 1.10

Section 1.10 is amended as proposed to provide a procedure for assigning the date on which any paper or fee is deposited as "Express Mail" with the United States Postal Service as the filing date of the paper or fee in the Patent and Trademark Office. Authority for the Commissioner to establish such a procedure is provided in § 21(a) of Title 35, United States Code, as amended by Public Law 97-247 for any paper or fee required to be filed in the Patent and Trademark Office. This procedure covers the filing of all documents, including patent and trademark applications, and fees since they are required to be filed in the Patent and Trademark Office for processing. Questions were raised during the public hearing and in the written comments regarding the authority of the Commissioner to promulgate § 1.10 insofar as it would provide for the use of "Express Mail" to file patent and trademark applications. The argument advanced was that the amendment of 35 U.S.C. 21(a) by Public Law 97-247 did not permit the Commissioner to adopt rules whereby "Express Mail" could be used to file patent and trademark applications since such applications are not papers or fees "required to be filed in the Patent and Trademark Office." It was urged that this language of 35 U.S.C. 21(a), in conjunction with amended 35 U.S.C. 111 which states that the "filing date of an application shall be the date on which the specification and any required drawing are received in the Patent and Trademark Office," prevents adoption of proposed § 1.10.

The arguments presented are not supported by the legislative history or by the literal language of the statute. Section 111 of Title 35, United States Code, before and after Public Law 97-247, requires patent applications to be made "in writing to the Commissioner." This is apparent from the first sentence of 35 U.S.C. 111 which provides that [a]pplication for patent shall be made. . . in writing to the Commissioner." Thus, one seeking a patent is "required" to make application for the same "in writing to the Commissioner." The written application clearly constitutes a "paper or fee required to be filed in the Patent and Trademark Office." Section 21(a) of Title 35, United States Code, authorizes the Commissioner to adopt rules whereby "any paper or fee required to be filed in the Patent and Trademark Office will be considered filed in the Office on the date on which it was deposited with the United States Postal Service." The authority provided by section 21(a) extends to "any paper or

fee" to which the Commissioner, by an appropriate rulemaking, so extends it. The Commissioner can, therefore, by rule, establish that "any paper or fee," including a patent or trademark application, is "filed" or "received in the Patent and Trademark Office" when it is deposited with the United States Postal Service. The terms "filed" and "received" as used in 35 U.S.C. 21(a) and 111 can therefore be given the same meaning by an appropriate rulemaking by the Commissioner.

The legislative history, H.R. Rep. No. 542, 97th Cong., 2nd Sess. 8A (1982), clearly supports the interpretation set forth herein. In discussing new subsection (a) which has been added to section 21 of Title 35, United States Code, the Report emphasizes that the authority extends to "any paper or fee which is required to be filed" in the Patent and Trademark Office. The Report specifically states that the "requirements governing whether any given paper or fee may be given the filing date of the day on which it was . . . deposited with the United States Postal Service will be set forth in regulations established by the Commissioner." Clearly no restrictions were placed by the statute or the legislative history on the types of papers or fees which the Commissioner can consider as having been filed in the Patent and Trademark Office on the date of deposit with the United States Postal Service.

The new procedure, in paragraph 1.10(a), requires the use of the "Express Mail Post Office to Addressee" service of the United States Postal Service. This service provides for the use of a mailing label on which the Post Office clearly indicates the date on which it was deposited. Paragraph 1.10(b) requires (1) that the number of the "Express Mail" mailing label be placed on each paper or fee and (2) that a certificate of mailing by "Express Mail", signed by the person mailing the paper or fee, be included on each paper or fee and state the date of deposit as "Express Mail" in the United States Postal Service. The requirement that each paper or fee have the number of the "Express Mail" mailing label and the certificate of mailing by "Express Mail" included thereon is necessary so that the Patent and Trademark Office can verify when each paper or fee was filed if questions relating thereto arise. The number and certificate must be placed on each separate paper and each fee transmittal either directly on the document or by a separate paper firmly and securely attached thereto. It is not necessary that the number and certificate be placed on each page of a particular paper or fee transmittal. Merely placing the number and certificate in one prominent location on each separate paper or fee transmittal will be sufficient.

Under new paragraph 1.10(c), the Office will accord the paper or fee the date of deposit as "Express Mail" as the filing date without further proof unless a question is present regarding the date of mailing. If, however, more than a reasonable time has elapsed between the certificate date and the Patent and Trademark Office receipt date, or if other questions regarding the date of mailing are present, new paragraph 1.10(c) provides that the person mailing the paper or fee may be required to file (1) a copy of the "Express Mail" receipt showing the actual date of mailing and (2) a statement from the person who mailed the paper or fee averring to the fact that the mailing occurred on the date certified. Such statement must be a verified statement (oath or declaration) unless made by a person registered to practice before the Patent and Trademark Office.

The certificate of mailing procedure of § 1.8(a) continues to be available in addition to the proposed procedure under § 1.10. The final rule (§ 1.10) has been changed from that proposed to allow for a reasonable time between mailing and delivery rather than only for one day since actual delivery in one day is not always provided from all areas of the country. The final rule clarifies that each paper or fee must include its own certificate of mailing by "Express Mail." This rule is being promulgated at this time so that individuals who desire to use the service may do so after the effective date.

The "Express Mail" service is seen to be preferable to other types of postal services because a readily legible mailing date is provided to both the applicant and the Patent and Trademark Office on the "Express Mail" label. Also, the labels are of uniform size and can therefore be kept on file relatively easily by the Office, if such is determined to be necessary or desirable. Registered mail and certified mail, on the other hand, provide only a postmark for the mailing date when such mail arrives

in the Patent and Trademark Office and such postmarks are often illegible. Also, such mail arrives in various size envelopes which do not easily lend themselves to being filed so that the postmark may be retained. Administrative burdens including lack of certainty of mailing date and storage are considered greater for registered or certified mail than for "Express Mail." The Patent and Trademark Office will monitor closely the use of "Express Mail" by the public and may reconsider permitting the use of other forms of service provided by the United States Postal Service.

Section 1.17

Section 1.17, paragraph (h), is amended as proposed to remove the reference to § 1.45 and add a reference to new § 1.48 relating to the correction of inventorship in patent applications.

Section 1.22

Section 1.22 is amended to recognize that filing dates may be assigned without payment of the basic filing fee as authorized by § 111 of Title 35, United States Code, as amended by Public Law 97-247. New paragraph 1.22(b) indicates that fees paid to the Office should be itemized in such a manner that the purpose for which the payment is submitted can be clearly determined by Office personnel for proper processing. The final rule includes clarification that it refers to patent and trademark fees and charges.

Section 1.24

Section 1.24 is amended as proposed to remove the reference to coupons in denominations of forty cents since coupons in this denomination are no longer necessary.

Section 1.41

Section 1.41 is amended as proposed to require in paragraph 1.14(a) that a patent be applied for in the name of the actual inventor or inventors and that the full names of the inventors be stated. Paragraph 1.41(b), as amended, clarifies the definition of the word "applicant". New paragraph 1.41(c) permits any person authorized by the applicant to file an application for patent in order to receive a filing date on behalf of the inventor or inventors, but the oath or declaration for the application must be made by all of the actual inventors in accordance with §§ 1.63 and 1.64. Under new paragraph 1.41(d), a showing may be required from the person initially filing an application that the filing was authorized.

Sections 1.42 and 1.43

Sections 1.42 and 1.43 are amended as proposed to remove the requirement that the legal representative sign the application papers in view of the changes in 35 U.S.C. 111, as amended by Public Law 97-247. The oath or declaration must still be signed. Several occurrences of the masculine gender in § 1.42 have been removed.

Section 1.45

Section 1.45 is amended as proposed to remove present paragraphs 1.45(b) and (c) in view of new § 1.48 and remove the requirement that joint inventors sign the application papers. The joint inventors are, however, still required to make the oath or declaration in accordance with new §§ 1.63 and 1.64.

Section 1.46

Section 1.46 is amended as proposed, with two commas being added for clarity, to permit anyone to file the application if authorized by the inventor or inventors or one of the persons mentioned in §§ 1.42, 1.43, or 1.47.

Section 1.47

Section 1.47 is amended as proposed to change the reference for the rule on oaths or declarations from § 1.65 to § 1.63.

Section 1.48

Section 1.48 adds a new section relating to correction of inventorship as authorized by § 116 of Title 35, United States Code, as amended by Public Law 97-247. Under § 1.48, if the correct inventor or inventors are not named in an application for patent, the application could be amended to name only the actual inventor or inventors so long as the error in the naming of the inventor or inventors occurred without any deceptive intention on the part of the actual inventor or inventors. Section 1.48 requires that the amendment be diligently made and be accompanied by (1) a petition including a statement of facts verified by the original named inventor or inventors establishing when the error without deceptive intention was discovered and how it occurred; (2) an oath or declaration by each actual inventor or inventors as required by § 1.63; (3) the fee set forth in § 1.17(h); and (4) the written consent of any assignee. Correction will be permitted, if diligently requested, in cases where the person originally named as inventor was in fact not the inventor of the subject matter contained in the application. If such error occurred without any deceptive intention on the part of the true inventor, the Office has the authority to substitute the true inventor for the erroneously named person. If deceptive intention was present on the part of other individuals substantively involved in the preparation or prosecution of the application their conduct will be considered and appropriate action taken under 37 CFR 1.56. Although probably rarer, instances such as changes from a mistakenly identified sole inventor to different, but actual, joint inventors; conversions from erroneously identified joint inventors to different but actual, joint inventors; and conversions from erroneously identified joint inventors to a different, but actual, sole inventor will also be permitted. In each instance, however, the Office will have to be assured of the presence of innocent error, without deceptive intention on the part of the true inventor or inventors, before permitting a substitution of a true inventor's name. The final rule language has been modified from that proposed to follow more precisely the language of the statute and the legislative history by permitting correction where the error occurred without any deceptive intention on the part of the actual inventor or inventors.

Section 1.51

Section 1.51 is amended to change the reference in paragraph (a)(2) to new § 1.63 for the requirements of an oath or declaration and to change paragraph (b) with regard to the required time for filing information disclosure statements. The final rule has been modified from that proposed by eliminating the word "material" before the "information disclosure statement" and the title has been changed to substitute "a complete" for "an" to be more precise.

Section 1.52

Section 1.52 is amended as proposed to revise paragraph 1.52(c) relating to interlineations, erasures, cancellations or other alterations in application papers to specify that such changes must be made before the signing of any accompanying oath or declaration and should be dated and initialed or signed by the applicant on the same sheet of paper. Paragraph 1.52(c), as amended, prohibits making alterations in the application papers after the signing of an oath or declaration referring to such application papers. Under paragraph 1.52(c), as amended, amendments to application papers made after the signing of an oath or declaration referring to the application papers can only be made in the manner provided by §§ 1.121 and 1.123-1.125.

Section 1.53

Section 1.53 is amended to revise the title to indicate that the section, as amended, relates to application serial numbers, filing dates and completion of applications. Paragraph 1.53(a) indicates that a serial number is assigned to any filed application for identification purposes, even if the application is incomplete or informal. Paragraph 1.53(b) provides that a filing date is assigned to an application as of the date a specification containing a description and claim and any required drawing are

filed in the Patent and Trademark Office. Although the filing fee and oath or declaration can be submitted later, no amendments can be made to the specification or drawings which will introduce new matter. This practice is authorized by 35 U.S.C. 111 as amended by Public Law 97-247. New paragraph 1.53(c) provides for notifying applicant of any application incomplete because the specification or drawing is missing and giving the applicant a time period to correct any omission. If the omission is not corrected within the time period given, the application will be returned or otherwise disposed of and a handling fee of \$50.00 will be retained from any refund of a filing fee. New paragraph 1.53(d) provides that, where a filing date has been assigned to a filed specification and drawing, the applicant will be notified and be given a period of time in which to file the missing fee, oath or declaration and to pay the surcharge due. The time period the Office plans to set is one month from the date of notification by the Patent and Trademark Office, but in no case less than two months after the date of filing of the application. New paragraph 1.53(e) indicates that a patent application will not be forwarded for examination on the merits until all required parts have been received. New paragraph 1.53(f) indicates that international applications filed under the Patent Cooperation Treaty which designate the United States of America are considered to have a United States filing date under PCT Article 11(3), except as provided in 35 U.S.C. 102(e), on the date the requirements of PCT Article 11(1)(i) to (iii) are met. Paragraphs 1.53(b) and (c) have been modified from those proposed by changing the word "received" to the word "filed." The word "receipt" in paragraph 1.53(c) has also been changed to "filing". These changes have been made to ensure that the language of § 1.53 cannot be considered to conflict with the use of "Express Mail" to file patent applications and obtain a filing date as of the date of deposit as "Express Mail" with the United States Postal Service.

Section 1.54

Section 1.54 is amended as proposed to designate the existing section as paragraph (a) and add a reference to § 1.53. Paragraph 1.54(b) is added to indicate that applicant will be informed of the serial number and filing date of the application.

Section 1.55

Section 1.55 is amended to limit the section to claims for foreign priority by removing paragraphs (a) and (d) and redesignating paragraphs (b) and (c) as paragraphs (a) and (b). Paragraph 1.55(a) is amended to change the reference from § 1.65 to new § 1.63. The final rule language includes a reference to 35 U.S.C. 172 which modifies 35 U.S.C. 119 for design patents.

Section 1.56

Section 1.56 is amended to revise paragraph (c) to remove reference to signing of the application but to add reference to signing of the oath or declaration pursuant to new § 1.63. Paragraph 1.56(c) has also been modified from that proposed to break it down into four items as suggested by a comment. Under paragraph 1.56(c), an application may be stricken from the files if an oath or declaration pursuant to § 1.63 is signed in blank, is signed without review of the oath or declaration by the person making the oath or declaration, or is signed without the review of the specification, including the claims, as required by § 1.63(b). Paragraph 1.56(c) also provides for an application to be stricken from the files if application papers filed in the Office are altered after the signing of an oath or declaration pursuant to § 1.63 referring to those application papers.

Section 1.57

Section 1.57 is removed as proposed since the requirements relating to applicant's signature to the oath or declaration of the application are adequately covered in other sections.

Section 1.59

Section 1.59 is rewritten as proposed to refer to and conform with the changes proposed in § 1.53.

Section 1.60

Section 1.60 is amended to require the applicant to supply a copy of the originally signed application in all cases where the § 1.60 filing procedure is used. The Office will no longer prepare copies. The Office, by a separate final rule, published at 47 F.R. 47242 on Oct. 25, 1982, has adopted a new § 1.62 to provide for the filing of a file wrapper continuing application which greatly lessens the need for the Office to continue to prepare copies under § 1.60. The final rule language makes clear that the statement accompanying a true copy of the parent application must be a verified statement unless made by a person registered to practice before the Office.

Section 1.62

Section 1.62 is amended to avoid inconsistency with 35 U.S.C. 111 which becomes effective on Feb. 27, 1983. 35 U.S.C. 111 as of that date permits filing dates to be granted to patent applications without receipt of the basic filing fee, or oath or declaration. Section 1.62 is therefore being amended to permit the granting of a filing date in accordance with § 111. This amendment of § 1.62 is necessary to ensure compliance with 35 U.S.C. 111. The Patent and Trademark Office finds that it would be impractical not to amend § 1.62 so as to grant a filing date in accordance with 35 U.S.C. 111 and not doing so might also be construed to prevent applicants from taking advantage of the provisions of 35 U.S.C. 111 authorizing the delay in the filing of the fee and oath or declaration. If § 1.62 is not amended in the manner set forth in this final rule, questions may be raised as to compliance with 35 U.S.C. 111 as it will exist effective Feb. 27, 1983. Revised paragraph 1.62(a) indicates the minimum requirements for granting of a filing date. Paragraphs 1.62(b) and (c) cover the filing fee and oath or declaration requirements, respectively. Paragraph 1.62(d) relates to later filing of the filing fee or oath or declaration as provided for in 35 U.S.C. 111. Paragraphs 1.62(e)-(i) are identical to former paragraphs 1.62(b)-(f).

Section 1.63

Section 1.63 is added to replace 1.65 relating to the required content and execution of an oath or declaration filed as a part of a patent application and is intended to state the minimum contents thereof. An applicant may, if desired, choose to include one or more additional averments in the oath or declaration such as, for example, stating that the patent is not barred under the provisions of 35 U.S.C. 102. Paragraph 1.63(a) provides that the oath or declaration, (1) be executed in accordance with § 1.66 or § 1.68, (2) identify the specification to which it is directed in some definite manner such as giving the title of the invention or serial number of the application, if previously filed, (3) identify each inventor and his or her residence and country of citizenship, and (4) state whether the inventor is a sole or joint inventor of the claimed invention.

Paragraph 1.63(b) further requires the oath or declaration to state that the person signing the oath or declaration (1) has reviewed and understands the contents of the identified specification, (2) believes the named inventor is the original and the first inventor, and (3) acknowledges the duty to disclose information which is material. While paragraph 1.63(b) requires the person signing the oath or declaration to review and understand the specification including the claims, it is not intended to require that such person be skilled in patent law so as to grasp the legal implications of claim language and drafting. The person must recognize, however, that what is being claimed is the subject matter which that person regards as his or her invention pursuant to 35 U.S.C. 112.

Paragraph 1.63(c) requires that any application in which a claim for foreign priority is made identify in the oath or declaration the foreign application for patent or inventor's certificate on which priority is claimed, and any foreign application having a filing date before that of the application on which priority is claimed.

Paragraph 1.63(d) requires that the oath or declaration in a continuation-in-part application, which discloses and claims subject matter in addition to that disclosed in the prior copending application, state that the person making the oath or declaration acknowledges the duty to disclose material information as de-

fined in § 1.56(a) which occurred between the filing date of the parent application and the national or PCT international filing date of the continuation-in-part application. This latter requirement is not new, but is included to serve as a reminder to the person making the oath or declaration of this duty to disclose material information such as foreign patenting, publication, or public use or sale in the United States which occurred more than one year prior to the filing date of the continuation-in-part application. For example, in circumstances where the claims of the continuation-in-part application are not fully supported by the disclosure of the parent application so as to be entitled to an earlier effective filing date under 35 U.S.C. 120, the duty to disclose extends to any material information, as defined in § 1.56(a) measured from the filing date of the continuation-in-part application. This would include the first foreign patenting, and any foreign patenting subsequent to the first which materially differs therefrom, of the subject matter of the parent application which occurred more than one year prior to the national or PCT international filing date of the continuation-in-part application. Any publication of the parent application, other than foreign patenting, or any public use or sale in the United States of the subject matter of the prior application, which occurred more than one year prior to the national or PCT international filing date of the continuation-in-part application, would also come within § 1.56(a) in such circumstances. See *In re Ruscetta and Jenny*, 118 U.S.P.Q. 101 (C.C.P.A. 1958); *In re van Langenhoven*, 458 F. 2d 132, 173 U.S.P.Q. 426 (C.C.P.A. 1972), and *Chromalloy American Corp. v. Alloy Surfaces, Co., Inc.*, 339 F. Supp. 859, 173 U.S.P.Q. 295 (Del. 1972).

Section 1.64

Section 1.64 is added as proposed to clearly indicate who must sign the oath or declaration of a patent application.

Section 1.65

Section 1.65 is removed as proposed because the oath or declaration requirements set forth therein are covered by new § 1.63.

Section 1.67

Section 1.67 is amended as proposed to remove all of paragraphs (a) and (b) and substitute therefor new wording. Paragraph 1.67(a) indicates that a supplemental oath or declaration meeting the requirements of new § 1.63 may be required to correct deficiencies or inaccuracies present in an earlier oath or declaration. Paragraph 1.67(b) requires a supplemental oath or declaration to be filed (1) when a claim is presented embracing material not originally claimed and (2) when a subsequently filed oath or declaration under § 1.53(d) refers to an amendment which includes improper new matter. Paragraph 1.67(b) also clearly states the prohibition against entry of new matter after the filing date of the application.

Section 1.69

Section 1.69, paragraph (b), is amended as proposed to change the time at which a translation of a non-English language oath or declaration which has not been supplied by the Office must be filed. The time period for filing the translation is changed to two months after notification that a translation is required. The reference to § 1.65 in paragraph 1.69(b) is changed to § 1.63.

Section 1.70

Section 1.70 is amended to refer to § 1.63 for the requirements to be met when an oath or declaration is filed under 35 U.S.C. 371(c)(4). The wording of the title in the final rule is changed to reflect more clearly the subject matter of the rule.

Section 1.77

Section 1.77 is amended as proposed to change paragraphs (h) and (i) to refer to the abstract of the disclosure and signed oath or declaration, respectively.

Section 1.97

Section 1.97 is amended to change the title from "prior art statement" to "information disclosure statement". This change is appropriate since the designation "information disclosure statement" more accurately characterizes the nature and content of the information which may be included in such a statement. Information which is required to be submitted pursuant to § 1.56 may ultimately be determined not to be "prior art," but nevertheless may be "material" pursuant to § 1.56. Section 1.97 has also been modified from that proposed by eliminating the word "material" since information submitted pursuant to § 1.97 may be considered to be of questionable materiality or may be determined, upon examination, not to be "material". Section 1.97 now provides that an information disclosure statement should be filed with the application or within the later of three months after the filing date of the application or two months after applicant receives the filing receipt. Paragraph 1.97(b) has been amended in recognition that applicant may choose to furnish other material information in another manner or statement. Paragraph 1.97(b) now also refers to section 1.56(a) for the definition of "material information". The amendments to paragraph 1.97(b) do not in any manner reduce the obligation to submit material information as defined in § 1.56(a).

Section 1.98

Section 1.98 indicates that information disclosure statements should list prior art with all of the information which is required to print such citations on the front page of a patent. The final rule states clearly that the publication date indicated on the document should be submitted. This will not serve to preclude a showing of a different, actual publication date. Another purpose of the citation requirements in this section is to permit ready reference to the document from its citation.

Section 1.99

Section 1.99 is amended to change the title to be consistent with the amendment to § 1.97.

Section 1.101

Section 1.101 is amended to indicate specifically that applications which are to have their examination advanced pursuant to § 1.102 will be taken up for examination out of order by the examiner. The final rule is also modified to set out when international applications which have complied with the requirements of 35 U.S.C. 371(c) are taken up for action.

Section 1.118

Section 1.118 is amended as proposed to designate the previous section as new paragraph (a) and amend it to clearly state that no new matter may be introduced into an application and to make specific reference to §§ 1.53, 1.63 and 1.67. New paragraph 1.118(b) indicates how improper amendments which introduce new matter in the specification or claims will be handled by the examiner.

Section 1.123

Section 1.123 is amended to require all corrections to drawings to be made by bonded draftsmen at applicant's expense since the Office does not have sufficient draftsmen to make such corrections. Sketches of any desired corrections will, however, still require approval of the examiner. The final rule makes clear that changes in the drawing may be made by submission of substitute drawings.

Section 1.125

Section 1.125 is amended to relax the prohibition against substitute specifications which are not required by the examiner. The section, however, adds the requirement that any substitute specification filed must be accompanied by a statement that the substitute specification includes no new matter. Under the section the statement must be a verified statement if made by a person not registered to practice before the Office. The final

rule specifies that a substitute specification may not be accepted unless it is clear to the examiner that processing of the application would be facilitated thereby.

Section 1.131

Section 1.131 is amended as proposed to refer to the use of affidavits or declarations under the section during reexamination of a patent as long as the patent upon which the rejection is based does not claim the rejected invention. Section 1.131 cannot be used to overcome a rejection based upon a United States patent claiming the rejected invention. This is true regardless of whether the rejected claims are contained in an application being examined or a patent being reexamined. Section 1.131 is inapplicable if the same invention is being claimed by the United States patent upon which the rejection is based. Under the section as amended, the same person or persons who would make the affidavit or declaration in an application will be required to make the affidavit or declaration on behalf of the owner of the patent under reexamination.

Section 1.132

Section 1.132 is amended as proposed to refer to the use of affidavits or declarations under the section during reexamination of a patent.

Section 1.137

Section 1.137 is amended as proposed to except from the provisions of paragraph (b) those applications abandoned pursuant to § 1.53(d) because the fee, oath, or declaration and the surcharge were not submitted. Section 111 of Title 35, United States Code, as amended by Public Law 97-247, requires that any delay in submission of the fee and oath be shown to be unavoidable. Thus, paragraph (b) of § 1.137 permitting revival where abandonment was unintentional is inapplicable to the revival of applications which become abandoned pursuant to § 1.53(d).

Section 1.141

The proposed amendments to § 1.141 are withdrawn *infra* to permit the public to study the issues involved and make any further recommendations considered appropriate.

Section 1.153

Section 1.153 is amended to change the reference for oath and declaration requirements from § 1.65 to § 1.63 and to conform the language of the rule to be consistent therewith.

Section 1.154

Section 1.154 is amended as proposed to revise paragraph (e) to refer to the signed oath or declaration requirements of § 1.153(b).

Section 1.162

Section 1.162 is amended as proposed to change the reference from § 1.65 to § 1.63.

Section 1.163

Section 1.163 is amended as proposed to change the wording of the section to clearly indicate that a signed oath or declaration is required rather than a signed specification.

Section 1.172

Section 1.172 is amended to indicate clearly that the reissue oath is signed and sworn to rather than the reissue application. The final rule has been modified from that proposed by referring to a "reissue oath" rather than to "reissue oaths".

Section 1.174

Section 1.174 is amended as proposed to remove the requirement that photoprints of original drawings be securely mounted

or pasted on sheets of drawing board because paper drawings are acceptable.

Section 1.175

Section 1.175 is amended as proposed to change the reference to the oath or declaration from § 1.65 to § 1.63.

Sections 1.301, 1.302 and 1.303

The proposed amendments to sections 1.301, 1.302 and 1.303, referring to the Court of Appeals for the Federal Circuit rather than to the Court of Customs and Patent Appeals, have been adopted as final rules as published on Oct. 26, 1982 at 47 FR 47380-47382 and corrected on Nov. 5, 1982 at 47 FR 50142 and therefore are not republished here.

Section 1.324

Section 1.324 is amended to include wording similar to that in § 1.48 for correction of inventorship in applications.

Section 1.325

Section 1.325 is amended as proposed to include reference to the reexamination procedure.

Section 1.335

Section 1.335 is added as proposed to provide a new section relating to the filing in the Patent and Trademark Office of notices of arbitration awards. Such filing is required under § 294 of Title 35, United States Code, as added by Public Law 97-247. The final rule has also been modified in response to a comment to indicate that the notices of arbitration awards are intended to be placed in the patent files.

Section 1.565

The proposed amendments to § 1.565 are withdrawn *infra* to permit the public to study the issues involved and make any further recommendations considered appropriate.

Section 5.12

Section 5.12 is amended as proposed to separate the section into two paragraphs. Paragraph (a) provides that the filing of an application for an invention made in the United States is considered to include a petition for a license for foreign filing. If a license is granted, it will be indicated on the filing receipt. If it is not granted, no indication of the denial will appear. Failure to grant a license should be considered a denial of a first petition for a license. A subsequent petition may be filed under § 5.12(b). Section 5.12(b) is essentially the text of § 5.12 in its previous form. No rights to file a petition for license are being removed.

Withdrawal of Proposed Amendments To Sections 1.141 and 1.565.

A number of the speakers at the public hearing held on Dec. 16, 1982, urged that the amendments to §§ 1.141 and 1.565 be deferred or dropped pending further study. Those urging that the proposed amendments to § 1.141 not be adopted at this time included speakers from the American Patent Law Association, from Committee 103 of the American Bar Associations's Patent, Trademark & Copyright Section, and from the Bar Association of the District of Columbia. The Boston Patent Law Association urged that the amendment to § 1.565 be removed or held in abeyance. The American Patent Law Association indicated that more time was needed for its committees to analyze the issues in the proposed amendments to §§ 1.141 and 1.565.

In response to the recommendations received at the public hearing, the proposed amendments to §§ 1.141 and 1.565 are being withdrawn at this time to permit the public to study the issues involved and make any further recommendations considered appropriate. Pending the further study referred to by the speakers at the hearing and consideration of any recommendations resulting therefrom, the Office will continue to operate under present §§ 1.141 and 1.565 as interpreted by the Manual

of Patent Examining Procedure and relevant Patent and Trademark Office and judicial precedents.

Responses to Comments on the Rules

Specific comments were received on a number of the sections. All of the comments, including the written comments and the oral testimony, were considered in adopting the changes set forth herein.

Forty-eight letters presenting written comments were received and seven persons testified at the public hearing on Dec. 16, 1982.

Comments appear below along with responses thereto.

Comment:

One comment objected to inadequate notice regarding these proposed rule changes.

Reply:

The proposed rules notice was published in the *Federal Register* on Oct. 27, 1982. This is more than seven weeks prior to the date of the hearing and four months prior to the effective date of the final rules. Such periods are considered to be reasonable in view of the fact that the legislation requiring the rule changes was only enacted on Aug. 27, 1982 and that other rule changes were required to be implemented by Oct. 1, 1982.

Comment:

One comment proposed that "Patent and Trademark Office" should be used in the rules rather than merely "Office".

Reply:

The proposal has been adopted in the final rules in those locations where confusion may otherwise result.

Comment:

Five comments requested that promulgation of §§ 1.10, 1.63, 1.97, 1.141 and 1.565(e) be delayed and the period for comment extended until Mar. 30, 1983.

Reply:

Amendments to §§ 1.141 and 1.565 are not being promulgated at this time to provide time for further consideration and study as requested. If after study, a rule change is felt desirable, a new proposal will be issued. New § 1.10 is being promulgated to make it available to applicants as it was intended in the statute. New § 1.63 is being added and § 1.65 deleted to reduce the formal statements required. If desired, the old oath and declaration forms may continue to be used if the statement is included that applicant "has reviewed and understands the contents of the specification, including the claims". For continuation-in-part applications, it is necessary to also include language in conformance with § 1.63(d). Section 1.97 is being promulgated to remove problems relating to the time period in the current wording and to clarify the section in general.

Comment:

One person questioned why Sunday was not mentioned in § 1.6(b) or (c).

Reply:

Section 1.6(b) and (c) are limited to weekdays which by definition excludes Sunday.

Comment:

Two comments were received which proposed that only a certificate of mailing procedure as in § 1.8(a) be used for determining the date of deposit under 35 U.S.C. 21

Reply:

The filing date of an application is considered to be much more critical than the filing dates of papers accepted under § 1.8. The application filing date is often critical for determining if a statutory bar exists, whether foreign priority can be claimed and who is the senior party in an interference. Therefore, papers filed for purposes of receiving an application filing date should have some clear indication of the date of receipt by the United States Postal Service. Such a practice would also probably require storing all of the envelopes in the file wrapper for record purposes.

Comment:

Three comments were received which stated that private courier services should also be provided for in § 1.10.

Reply:

Section 21(a) as amended by Public Law 97-247 provides for filing dates being given only when "deposited with the United States Postal Service." Although private courier services may be used to deliver papers to the Patent and Trademark Office, the actual date of receipt by the Patent and

Trademark Office will be considered to be the filing date.

Comment:

A comment was received which argued that the Post Office date stamp should be stamped on the mailing label instead of having to enter the label number on each document.

Reply:

Stamping the mailing label would not add anything since the postal clerk receiving the "Express Mail" must already indicate the date and time of deposit and initial the label. A purpose of placing the label number on each paper is to permit several papers to be placed in a single envelope. The mailing labels may be retained in the Patent and Trademark Office for later verification.

Comment:

Seven comments were received that the requirement that the item be received the following day (§ 1.10(b)) was unnecessarily restrictive.

Reply:

Section 1.10 does not require that the item be received the next day in the Patent and Trademark Office in order to receive the date of deposit as the mailing date. The one day reference has been deleted. Further proof of mailing may be required where an unreasonable period of time is involved and supporting evidence is not otherwise available to the Patent and Trademark Office. Documents deposited with the United States Postal Service will be given a filing date which corresponds to the date of receipt indicated by the postal clerk on the "Express Mail" mailing label.

Comment:

Four comments indicated that § 1.10 does not assist in placing applicants and attorneys outside the Washington area on the same footing as those in Washington.

Reply:

The main purpose of § 1.10 is to implement 35 U.S.C. 21(a) in a manner which would provide for granting filing dates for papers and fees as of the date of their deposit with the United States Postal Service. Certainly these provisions using "Express Mail," together with the certificate of mailing procedure available under § 1.8, will go a long way in reducing last minute deliveries to the Patent and Trademark Office by persons outside the Washington area.

Comment:

Two comments stated that the comments accompanying § 1.10(c) should be clarified to explain the meaning of "more than one day."

Reply:

The final rule has been clarified.

Comment:

It was proposed by one person that the "affidavit or declaration" under § 1.10(c) be waived if the statement is made by a registered attorney or agent.

Reply:

The suggestion has been adopted.

Comment:

It was indicated by one person that certified mail provides proof of mailing date under § 1.10 by virtue of the Post Office stamp on the certified mail receipt card.

Reply:

The information on the certified mail receipt card is of no benefit to the Patent and Trademark Office since it is immediately returned to the sender. The Patent and Trademark Office would not be able to retain any information which gives proof of the date of mailing.

Comment:

Three comments raised questions as to the need to make the acceptance of the "Express Mail" contingent upon the performance of the Post Office in § 1.10(c).

Reply:

The acceptance of the "Express Mail" is not contingent upon "next day delivery". The reference in § 1.10(c) to proof of mailing merely provides a basis for the Office requiring proof of mailing where an explanation appears to be necessary to clarify the record. Such information is expected to be required only in a few instances. The rule has also been revised to clarify this matter.

Comment:

Five persons suggested the use of registered or certified U.S. mail for obtaining filing dates under 35 U.S.C. 21.

Reply:

Registered mail does not provide any information or evidence to the Patent and Trademark Office as to the date of mailing other than the postmark, which is often unreadable. Storage of envelopes containing such postmarks is also burdensome. The deficiency of certified mail has already been discussed.

Comment:

One person questioned what treatment will be accorded a paper placed in an "Express Mail" box receptacle after the box has been cleared for the last time on a given day.

Reply:

The paper will be considered to be deposited as of the date of receipt indicated on the "Express Mail" mailing label by the Postal Service clerk.

Comment:

One person commented that he found the idea of using a declaration or affidavit to establish a date of deposit unacceptable because it exposes the integrity of the assignment of filing dates to the risk of deception.

Reply:

The use of declarations or affidavits is usually intended to help explain activities which can be supported by exhibits. For example, if the Office copy of the mailing label was not entirely readable, applicant's copy of the "Express Mail" mailing label could accompany a declaration and serve as the basis for granting a filing date.

Comment:

Three persons objected to permitting only the individual who places the correspondence in an "Express Mail" facility to execute the certificate of express mailing under § 1.10(c).

Reply:

The wording of § 1.10(c) differs from § 1.8 because the documents which are expected to be filed under § 1.10 are patent and trademark applications. The filing dates of such documents are very important and should therefore be based on personal knowledge.

Comment:

One comment was received which suggested that § 1.10 be adopted with an effective date retroactive to a year earlier.

Reply:

Such an earlier date is not possible since the statutory authority for § 1.10 does not come into effect until Feb. 27, 1983.

Comment:

One comment proposed designating the Patent and Trademark Office as an "Express Mail" Post Office to make lower rates available.

Reply:

Such a designation is not possible.

Comment:

One person requested that the Patent and Trademark Office publish a form of certificate of mailing by "Express Mail" suitable for purposes of § 1.10(b).

Reply:

A suggested form is included in the preamble of this rule change.

Comment:

One comment proposed that § 1.10(c) clearly state what evidence will be necessary and sufficient to prove a filing date by mailing.

Reply:

A specific answer cannot be given since it is dependent upon the particular fact situation and what evidence is actually available.

Comment:

Two comments questioned whether P.L. 97-247 authorized a rule such as § 1.10 granting filing dates as of the mailing date.

Reply:

The question raised by this comment has been treated in the discussion of § 1.10 supra.

Comment:

One comment proposed that § 1.10 be corrected to read- Any paper or fee required be filed- to more closely conform with 35 U.S.C. 21(a).

Reply:

No need is seen to change § 1.10 as suggested since, if a patent is desired, it is "required" that each paper relating to an application be filed in the Patent and Trademark Office.

Comment:

One comment indicated that the requirement to place the "Express Mail" label number on each paper and fee is not realistic.

Reply:

The placement of the label number on each paper or fee allows later verification of the mailing dates of all different papers mailed in one envelope and is not seen to be overly burdensome.

Comment:

A question was raised as to whether the "Express Mail" label number should be placed on every page.

Reply:

The label number need not be placed on each page. It should, however, be placed on the first page of each separate document, such as, a new application, amendment, assignment, and transmittal letter for a fee, along with the certificate of mailing by Express Mail". Although the label number may be on checks, such a practice is not required.

Comment:

A question was raised by one party as to the location within the Patent and Trademark Office of the mailing labels where papers to different applications are placed in the same envelope.

Reply:

The mailing labels from all "Express Mail" packages are expected to be removed and initially retained centrally in the Mail Room of the Patent and Trademark Office. The number on each document will allow direct access to the appropriate mailing label if any questions should arise.

Comment:

One comment suggested that § 1.22(b) be amended to exclude itemization of all fees where a general authorization to charge a deposit account has been given.

Reply:

Even where fees are charged to a deposit account, it is desirable to know specifically which fees are to be paid. Therefore, the suggestion has not been adopted.

Comment:

One comment was received which suggested adding a sentence to § 1.41(d) indicating that the filing of an oath or declaration executed by the applicant would constitute proof of authority to file the application.

Reply:

Such an additional sentence is not considered to be necessary since the Patent and Trademark Office does not intend to utilize the provisions of § 1.41(d) unless a controversy arises.

Comment:

One comment was received which suggested the addition to the end of § 1.42 of the words "except for patents granted to the assignee either of the inventor or of the legal representative of the inventor."

Reply:

No change is considered to be necessary since few, if any, problems have arisen without such additional wording in the past. The existing rule wording "upon proper intervention" also provides protection for assignees.

Comment:

One comment was received which indicated that § 1.46 does not clearly authorize an assignee of a part interest to cause an application to be placed on file.

Reply:

Although § 1.46 may not make this point clear, it is clear from § 1.41(c).

Comment:

One comment recommended that the requirement to show diligence in correcting inventorship under § 1.48 be deleted.

Reply:

It is felt that corrections of inventorship should be diligently made in patent applications. The naming of correct inventorship is necessary for the Patent and Trademark Office to make decisions on topics such as double patenting, priority claims and first inventorship.

Comment:

It was recommended in one comment that the verified statement of facts required by § 1.48 "by the original named inventor or inventors" be replaced by a requirement that he or they merely assent to the statement of the facts since others may be better able to provide the best evidence.

Reply:

Since it is the original inventorship that is being changed, it is believed that all of the previously named inventors should positively indicate their agreement with the facts in the case. Affidavits by other individuals may also be supplied where such persons have direct personal knowledge of certain aspects of the case.

Comment:

One comment indicated that "it seems a reasonable presumption that if ownership is unaffected, deceptive intent is absent" in a § 1.48 correction of inventorship situation and that such a presumption could be written into the rules.

Reply:

Even if applications are commonly owned, the wrong inventorship could be deceptively named to obtain rights which are only available to the same inventive entities. The report on Public Law 97-247 also states that "the commissioner must be assured of the presence of innocent error, without deceptive intention . . ." before permitting a substitution of a true inventor's name.

Comment:

One person suggested that the deceptive intent in § 1.48 refer to the acts of the actual inventors rather than to both the alleged and actual inventor or inventors.

Reply:

This suggestion has been adopted in both §§ 1.48 and 1.324, but deceptive intention on the part of other parties is subject to review under § 1.56.

Comment:

One person suggested that in § 1.48, line 3 "may" be changed to must.

Reply:

The suggestion has not been adopted. Corrections may only be made if the conditions set forth in § 1.48 are satisfied.

Comment:

Two comments objected to the insertion of "material" in § 1.51(b).

Reply:

This word has been removed and does not appear in the final rule.

Comment:

One comment suggested changing "an" to a complete-in the title of § 1.51.

Reply:

This suggestion has been adopted.

Comment:

One comment indicated that §§ 1.52(c) and 1.56(c) seemed overly inflexible and harsh when considering minor grammatical changes.

Reply:

Although § 1.56 indicates that applications "may" be stricken, rather than "must" be stricken, it is still considered important to maintain a clear line in the regulations against changes in the original applications made after the execution of the application oath or declaration. The line between grammatical changes and changes relating to the merits is frequently unclear.

Comment:

Three comments noted an apparent inconsistency between proposed §§ 1.10 and 1.53 as to whether § 1.10 relates to the filing of patent applications.

Reply:

Section 1.10 does relate to the filing of patent applications. In order to clarify the wording, "received" in § 1.53(b) has been changed to "filed".

Comment:

One comment was received suggesting that a sentence be added to § 1.53(d) to indicate that PCT applicants cannot submit late filing fees, oaths or declarations under 35 U.S.C. 371.

Reply:

Such a reference in § 1.53 does not appear appropriate because this section relates to "filing dates". In the PCT situation, the filing date was already granted at the time of filing the PCT international application.

Comment:

One comment was received which suggested that § 1.53(a) be rewritten to indicate all applications are assigned serial numbers but not accorded filing dates.

Reply:

The proposal was not adopted since it is considered unnecessary.

Comment:

One person suggested that § 1.53(b) be amended to specify that only "a specification *purporting* to contain a description and at least one claim . . ." is needed to obtain a filing date.

Reply:

No change is being made since a determination must be initially made as to whether or not a specification has been filed. In any case, sufficiency of the specification must later be checked by the examiner.

Comment:

One person indicated that the time period for filing a correction to a defect in an application is left entirely within the discretion of the Commissioner and that any setting of periods of time would be tantamount to an exercise of rulemaking authority. Section 1.53(d) should be provided with an explicit time limitation.

Reply:

No specific time period is considered to be necessary in the regulations. The Commissioner has full authority and discretion under the statute in 35 U.S.C. 111 to set periods of time. The statute does not require the Commissioner to use the rulemaking process to set time periods for response to an action or requirement by the Patent and Trademark Office in a patent application.

Comment:

Two comments were received objecting to the use of the words "or otherwise disposed of" in § 1.53(c).

Reply:

This wording has existed in § 1.53(b) in the past without objection. No need is seen to depart from this wording at this time.

Comment:

One person questioned whether the change in § 1.54(b) would result in return post cards not being stamped with the application serial number.

Reply:

No change is intended in the existing return post card practice.

Comment:

One comment proposed adding another sentence to § 1.154(b) indicating that foreign priority claims will be acknowledged on the filing receipt.

Reply:

This proposal is not being adopted since the examiner must determine whether the statutory requirements of 35 U.S.C. 119 have been met before an acknowledgment can be sent.

Comment:

One comment suggested that the Patent and Trademark Office indicate on the filing receipt both the filing date under 1.10 and the actual date of receipt.

Reply:

The actual date of receipt can be obtained by requesting a receipt from the Postal Service. The actual date of receipt cannot be placed on the filing receipt because of current computer limitations. The suggestion is therefore not being adopted at this time.

Comment:

One comment was received indicating that it is not clear whether or not an application based on a specification and drawing, but containing no oath or declaration or filing fee, could serve as the basis for a priority claim under 35 U.S.C. 120.

Reply:

If the filed specification and drawings fully disclose the invention as required by 35 U.S.C. 112, the application may serve as a basis for a priority claim under § 120 even if no oath or declaration, or no fee has been filed, as long as the continuing application is filed prior to the abandonment of the first application under § 1.53(d).

Comment:

One comment suggested that § 1.55(b) be removed since the requirements of the statute are fully set forth in 35 U.S.C. 119.

Reply:

Although the statutory requirements set forth basic requirements, it is felt that the more specific details of § 1.55(b) provide needed guidance for applicants.

Comment:

Two persons questioned the meaning of "inspection and review" in § 1.56(c) and suggested certain amendments.

Reply:

The words "inspection and" are being removed to eliminate any redundancy. The paragraph has also been broken down into four items as proposed by a comment.

Comment:

One suggestion was made that applicant be allowed to order a copy of the parent patent, with payment of fee, when filing a § 1.60 application.

Reply:

Such a practice is contrary to the intent of the rule change. The problems the Patent and Trademark Office is attempting to solve by the change, which are caused by poor copies and delays in processing, would remain with such a practice.

Comment:

Two persons suggested that § 1.60 be amended to drop "and claimed" from the title.

Reply:

The suggestion has been adopted.

Comment:

One person suggested that § 1.60 be modified to drop the requirement for verification by affidavit when the statement is made by a registered patent attorney or agent.

Reply:

The suggestion has been adopted.

Comment:

One comment noted that there is no specific requirement in §§ 1.56, 1.63 or 1.98 to identify foreign applications filed more than one year prior to the U.S. filing date.

Reply:

Section 1.63(b)(3) broadly requires applicant to acknowledge the duty to disclose information material to the examination of the application. This information includes foreign patents based on applications filed more than a year prior to the filing date of the United States application and which issue before the filing date of the United States application.

Comment:

One person felt that § 1.63(b)(1) will be a disaster for the patent system since the inventor may not be physically able to review and understand the invention or because the legal language format used in claims may not be understood by the inventor. Five persons argued that adoption of § 1.63 would result in raising the defense that the inventor did not understand the claims in each patent infringement suit.

Reply:

The inventor is not expected to understand all the legal interpretations or limitations in a claim. The inventor is expected to recognize that what is being claimed is the subject matter which the inventor regards as his or her invention pursuant to 35 U.S.C. 112. The physical factors have to some extent existed in past practice and have been handled on a case-by-case basis where necessary. The situation outlined would exist in any signing of a legal document. The wording of § 1.63 has been explained in the preamble to minimize occurrences of problems.

Comment:

One comment noted that many inventors do not know whether additional subject matter is claimed in a continuation-in-part application under § 1.63(d).

Reply:

The wording in § 1.63(d) is considered to be appropriate and in accordance with case law. If uncertainty exists the attorney or agent, if any, should clarify the matter and § 1.63(d) should be followed.

Comment:

One person proposed that § 1.63(d) be modified to explicitly require the disclosure of foreign patents granted before the filing of the continuation-in-part application.

Reply:

Section 1.63(d) has been amended to clearly indicate that material information pursuant to § 1.56(a) between the filing date of the parent application and the filing date of the continuation-in-part application must be disclosed. The discussion of new § 1.63 refers to material foreign patents published during this time interval.

Comment:

Two comments indicated concern with the parenthetical language in proposed § 1.63(d) in that it would create severe problems.

Reply:

Paragraph (d) of § 1.63 has been amended to remove such problems.

Comment:

One comment suggested adding he or she is aware of after information in § 1.63(b)(3) and (d).

Reply:

This suggestion is not adopted since such wording is already present in § 1.56(a).

Comment:

One comment suggested that § 1.63(c) clarify what is intended by "the first filed foreign application," particularly in view of 35 U.S.C. 119, third paragraph.

Reply:

The rule has been amended to clarify the matter.

Comment:

One comment was received suggesting changes be made in the title and that paragraph (b) of § 1.70 refer to § 1.63 instead of "this section."

Reply:

The change suggested to the title has been made. The suggestion to paragraph (b) has not been made since it is considered unnecessary.

Comment:

Three comments were received which indicated that the wording of § 1.97(a) would require an immediate filing of disclosure information if the filing receipt is received just before three months after filing.

Reply:

The wording of § 1.97(a) has been changed to remove this problem.

Comment:

One comment was received which urged that the title of § 1.97 and contents of § 1.97(b) not be changed, since the proposed wording would not require filing of the closest prior art.

Reply:

The proposed changes are not intended to make any changes in the type of information which is to be submitted to the Office. The proposal has been adopted in modified form.

Comment:

One person indicated preference for the use of "prior art" in §§ 1.51(b), 1.97, 1.98, and 1.99 since it does not create an inferred admission that the information submitted is material. Five comments favored the removal of "prior art" from § 1.97 but objected to the addition of "material".

Reply:

The rule change was proposed to answer arguments that the use of the term "prior art" implied that the information was a reference against applicant's invention. Since the majority of the comments supported modifying the rule, the use of the terms "prior art" as well as "material" are being dropped.

Comment:

Two comments were received concerning § 1.98(a) suggesting that the "place of publication" be clarified or removed.

Reply:

This suggestion has not been adopted since the "place of publication" is not mandatory. It is intended to mean the city and country of publication. Also the citation of the "place of publication" is consistent with the § 1.107(a) requirements.

Comment:

It was suggested by one person that § 1.101 be amended to clarify when PCT international applications which have entered the national stage should be taken up for examination.

Reply:

An amendment has been made to § 1.101 as suggested to clarify that they are taken up in order based on the date they have entered the national stage by compliance with the requirements of 35 U.S.C. 371(c).

Comment:

One comment was presented suggesting that the words "which are not examined on the merits" in § 1.101 be removed.

Reply:

The suggestion has been adopted.

Comment:

One comment urged returning to the use of the Office draftsmen for minor corrections to reduce the burden under proposed § 1.123.

Reply:

Some minor corrections may be made by the Office draftsmen on a time-available basis. However, since the Office currently has only a few draftsmen who are responsible for reviewing and approving all drawings, very little time is presently available for making corrections.

Comment:

Four suggestions were made to amend § 1.123 to specifically provide for the filing of substitute drawings if corrections are required.

Reply:

These suggestions have been adopted.

Comment:

One comment was received indicating that § 1.125 should indicate to whom it should be clear that acceptance of a substitute specification would facilitate processing.

Reply:

An amendment has been made to clarify that it should be clear to the examiner.

Comment:

One comment suggested removal of the last sentence of § 1.137(b) to permit § 1.183 petitions to be filed to waive time periods for requesting revival of unintentionally abandoned applications.

Reply:

No change in § 1.137(b) is considered to be appropriate at this time since § 1.137(b) only became effective on Oct. 1, 1982. (Since changes to § 1.141 are not being promulgated in this rule change, comments and replies to this section are not included.)

Comment:

One comment pointed out that the reference to a "period of twelve months" in § 1.153 was indefinite.

Reply:

Section 1.153 has been amended to remove the indefiniteness.

Comment:

One comment was presented which suggested that § 1.172 refer to a "reissue oath" rather than to "reissue oaths."

Reply:

This suggestion has been adopted.

Comment:

One comment suggested the insertion of "the filing of" before "each patent" in § 1.335(a) and (b).

Reply:

The suggestion has been adopted.

(Since the proposed addition of a new paragraph (e) to § 1.565 is not being adopted in this rule change, comments and replies to this section are not included.)

Comment:

One suggestion was made that a procedure be designed in which foreign filing licenses could be granted by return post card without losing the time required to send the filing receipts.

Reply:

It is felt that the procedure under § 5.12 should be adopted at this time and be placed into operation. If after some experience additional modifications are found desirable, further changes could be made. To introduce several alternative procedures at this time is considered to be too complex and may endanger the success of the proposed procedure.

Comment:

One comment requested that the Office grant a prospective foreign filing license under § 5.12 for all data and amendatory material to be filed abroad.

Reply:

Such petitions are not part of this proposed change but this concept is being considered in a separate rule change proposal.

Comment:

One comment suggested that the Filing Receipt specifically indicate whether or not a license has been denied under § 5.12.

Reply:

The proposed practice under § 5.12 would indicate on the Filing Receipt when a license is granted. On other cases in which a license is not granted further review is required. A license may still be granted at a later date.

Comment:

One comment stated that it should be possible to petition at any early date for a foreign filing license as well as obtain one on the filing receipt.

Reply:

It will still be possible to petition earlier for a license under revised § 5.12.

Implementation Of Patent Procedure Revisions

The effective date of the patent procedure revisions contained in this rulemaking is Feb. 27, 1983. The various sections will be implemented in the manner set forth below:

§ 1.10 Filing of papers and fees by "Express Mail" with certificate.

The "Guidelines under § 1.10" set forth below provide guidance in implementing § 1.10:

Guidelines under § 1.10

A) The certification under § 1.10 requires a signature of the person depositing the paper with the United States Postal Service as "Express Mail". Specifically, if the certification under § 1.10 appears on a paper that requires a signature, two signatures are required, one for the paper and one for the certification under § 1.10.

B) When possible, the certification under § 1.10 should appear on an upper portion of the first page of the paper being submitted. However, if there is insufficient space to make the certification on the same paper, such as in the case of the patent issue fee transmittal form PTO 85, the certification should be on a separate sheet securely attached to the paper.

C) When the certification is presented on a separate sheet, that sheet must (1) be signed and (2) fully identify and be securely attached to the paper or fee it accompanies. The required identification should include the serial number and filing date of the application as well as the type of paper being filed, e.g., complete application, specification and drawings, responses to rejection or refusal, notice of appeal, etc. If the serial number of the application is not known, the identification should include at least the name of the inventor(s) and the title of the invention. An unsigned certification will not be considered acceptable.

Moreover, without the proper identifying data, a certification presented on a separate sheet will not be considered acceptable if there is any question or doubt concerning the connection between the sheet and the paper filed.

D) In situations wherein the correspondence includes papers for more than one application e.g., a single envelope containing separate applications or papers for various parts of the Patent and Trademark Office, each paper must have its own certification and the "Express Mail" label number as part thereof or attached thereto.

E) In situations wherein the correspondence includes several papers directed to the same application (e.g., a proposed response under 37 CFR 1.116 and a notice of appeal), each paper should also have its own certification as a part thereof or attached thereto.

F) Practitioners may place the certification language on the first page of a paper with an inked stamp. Such a practice is encouraged because the certification is not only readily visible but also forms an integral part of the paper. An example of a preferred stamp is:

"Express Mail" mailing label number

Date of Deposit

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

(Typed or printed name of person mailing paper or fee)

(Signature of person mailing paper or fee)

§ 1.48 Correction of inventorship.

Any patent application pending on or after Feb. 27, 1983, is subject to the provisions of this section.

§ 1.53 Serial number, filing date, and completion of application.

The provisions of this section apply to any patent application filed on or after Feb. 27, 1983.

§ 1.63 Oath or declaration.

The provisions of § 1.63 will become effective on Feb. 27, 1983, and will apply to any oath or declaration filed on or after that date. However, in order to provide a smooth transition from the old oath or declaration requirements to the new, the Office will continue to accept between Feb. 27, 1983, and June 30, 1983, any oath or declaration in compliance with § 1.65 as it existed immediately prior to Feb. 27, 1983, so long as that oath or declaration is attached to and was executed as a part of an application to be filed in the Patent and Trademark Office.

Effective July 1, 1983, all oaths or declarations filed under § 1.51(a)(2) as a part of a patent application must fully comply with § 1.63.

A suggested format for a declaration is set forth below:

Declaration For Patent Application

As a below named inventor, I hereby declare that:

My residence, post office address and citizenship are as stated below next to my name,

I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the invention entitled

the specification of which

(check one)	is attached hereto.	
	was filed on	as
	Application Serial No.	
	and was amended on	
	(if applicable)	

I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above.

I acknowledge the duty to disclose information which is material to the examination of this application in accordance with Title 37, Code of Federal Regulations § 1.56(a).

I hereby claim foreign priority benefits under Title 35, United States Code, § 119 of any foreign application(s) for patent or inventor's certificate listed below and have also identified below any foreign application for patent or inventor's certificate having a filing date before that of the application on which priority is claimed:

Prior Foreign Application(s)			Priority Claimed	
(Number)	(Country)	(Day/Month/Year Filed)	Yes	No
(Number)	(Country)	(Day/Month/Year Filed)	Yes	No
(Number)	(Country)	(Day/Month/Year Filed)	Yes	No

I hereby claim the benefit under Title 35, United States Code, § 120 of any United States application(s) listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States application in the manner provided by the first paragraph of Title 35, United States Code, § 112, I acknowledge the duty to disclose material

information as defined in Title 37, Code of Federal Regulations, § 1.56(a) which occurred between the filing date of the prior application and the national or PCT international filing date of this application:

(Application Serial No.)	(Filing Date)	(Status)
		(patented, pending, abandoned)

(Application Serial No.)	(Filing Date)	(Status)
		(patented, pending, abandoned)

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Full name of sole or first inventor
Inventor's signature
Date
Residence
Citizenship
Post Office Address
Full name of second joint inventor, if any
Second Inventor's signature
Date
Residence
Citizenship
Post Office Address

(Supply similar information and signature for third and subsequent joint inventors.)

The declaration form set forth above is specifically designed for use where the specification is attached to the form and the specification and declaration are filed at one time, and also where the declaration form is filed after the specification and drawings in accordance with § 1.53. The form can be used where foreign priority is claimed under 35 U.S.C. 119 and where the benefit of one or more United States applications is claimed under 35 U.S.C. 120. Appropriate modifications can be made in the form so long as compliance with the rules is maintained. For example, if the form is being used as a supplemental declaration form which is being submitted after numerous amendments the form might appropriately be modified by changing the words "was amended on" to "with amendments through."

§ 1.335 Filing of notice of arbitration awards.

The written notices required by this section should be directed to the attention of the Office of the Solicitor, which Office will be responsible for processing of such notices.

Other Considerations

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act. (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act. Pub. L. 96-354) for several reasons. Public Law 97-247 has taken into consideration the impact it may have on small entities. In general, the rule change will also expedite proceedings before the Patent and Trademark Office, changing existing procedures where they can be simplified.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, since no significant additional record keeping or reporting requirements are placed upon the public. In fact, some paperwork, especially that related to foreign filing license petitions, will be reduced.

List of Subjects in 37 CFR Parts 1 and 5

Administrative practice and procedure, Courts, Inventions and patents.

Notice is hereby given that, pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and Public Law 97-247, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

37 CFR, Parts 1 and 5, are amended as follows:

1. Section 1.4 is amended by revising paragraph (a) to read as follows:

§ 1.4 Nature of correspondence.

(a) Correspondence with the Patent and Trademark Office comprises: (1) correspondence relating to services and facilities of the Office, such as general inquiries, requests for publications supplied by the Office, orders for printed copies of patents or trademark registrations, orders for copies of records, transmission of assignments for recording, and the like, and (2) correspondence in and relating to a particular application or other proceeding in the Office. See particularly the rules relating to the filing, processing, or other proceedings of national applications in Subpart B, §§ 1.31 to 1.352; of international applications in Subpart C, §§ 1.401 to 1.482; of reexamination of patents in Subpart D, §§ 1.501 to 1.570; and of trademark applications, §§ 2.11 to 2.189.

* * * * *

2. Section 1.6 is revised to read as follows:

§ 1.6 Receipt of letters and papers.

(a) Letters and other papers received in the Patent and Trademark Office are stamped with the date of receipt. No papers are received in the Patent and Trademark Office on Saturdays, Sundays or federal holidays within the District of Columbia.

(b) Mail placed in the Patent and Trademark Office pouch up to midnight on weekdays, excepting Saturdays and federal holidays, by the post office at Washington, D. C., serving the Patent and Trademark Office, is considered as having been received in the Patent and Trademark Office on the day it was so placed in the pouch.

(c) In addition to being mailed or delivered by hand during office hours, letters and other papers may be deposited up to midnight in a box provided at the guard's desk at the lobby of building 3 of the Patent and Trademark Office at Crystal Plaza, Arlington, Virginia and at the main entrance (14th Street) of the Department of Commerce Building, Washington, D. C., on weekdays except Saturdays and federal holidays, and all papers deposited therein are considered as received in the Patent and Trademark Office on the day of deposit.

(d) If interruptions or emergencies in the United States Postal Service which have been so designated by the Commissioner occur, the Patent and Trademark Office will consider as filed on a particular date in the Office any paper or fee which is (1) promptly filed after the ending of the designated interruption or emergency and (2) accompanied by a statement indicating that such paper or fee would have been filed on that particular date if it were not for the designated interruption or emergency

in the United States Postal Service. Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

3. Section 1.7 is revised to read as follows:

§ 1.7 Times for taking action: Expiration on Saturday, Sunday or federal holiday.

Whenever periods of time are specified in this part in days, calendar days are intended. When the day, or the last day fixed by statute or by or under this part for taking any action or paying any fee in the Patent and Trademark Office falls on Saturday, Sunday, or on a federal holiday within the District of Columbia, the action may be taken, or the fee paid, on the next succeeding day which is not a Saturday, Sunday, or a federal holiday. See § 1.304 for time for appeal or for commencing civil action.

4. Section 1.8 is amended by revising the introductory text of paragraph (a) and paragraph (a)(1), (a)(2) introductory text, and (a)(2)(i) to read as follows:

§ 1.8 Certificate of mailing.

(a) Except in the cases enumerated below, papers and fees required to be filed in the Patent and Trademark Office within a set period of time will be considered as being timely filed if: (1) they are addressed to the Commissioner of Patents and Trademarks, Washington, D. C. 20231, and deposited with the U.S. Postal Service with sufficient postage as first class mail prior to expiration of the set period, and (2) they also include a certificate for each paper or fee stating the date of deposit. The person signing the certificate should have reasonable basis to expect that the correspondence would be mailed on or before the date indicated. The actual date of receipt of the paper or fee will be used for all other purposes. This procedure does not apply to the following:

(i) The filing of a national patent application specification and drawing or other papers for the purpose of obtaining an application filing date;

* * * * *

5. A new section 1.10 is added to read as follows:

§ 1.10 Filing of papers and fees by "Express Mail" with certificate.

(a) Any paper or fee to be filed in the Patent and Trademark Office can be filed utilizing the "Express Mail Post Office to Addressee" service of the United States Postal Service and be considered as having been filed in the Office on the date the paper or fee is shown to have been deposited as "Express Mail" with the United States Postal Service.

(b) Any paper or fee filed by "Express Mail" must have the number of the "Express Mail" mailing label placed thereon prior to mailing, be addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231, and any such paper or fee must also include a certificate of mailing by "Express Mail" which states the date of mailing by "Express Mail" and is signed by the person mailing the paper or fee.

(c) The Patent and Trademark Office will accept the certificate of mailing by "Express Mail" and accord the paper or fee the certificate date under 35 U.S.C. 21(a) without further proof of the date on which the mailing by "Express Mail" occurred unless a question is present regarding the date of mailing. If more than a reasonable time has elapsed between the certificate date and the Patent and Trademark Office receipt date or if other questions regarding the date of mailing are present, the person mailing the paper or fee may be required to file a copy of the "Express Mail" receipt showing the actual date of mailing and a statement from the person who mailed the paper or fee averring to the fact that the mailing occurred on the date certified. Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

6. Section 1.17 is amended by revising paragraph (h) to read as follows:

§ 1.17 Patent application processing fees.

* * * * *

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph—\$120.00

—§ 1.47 for filing by other than all the inventors or a person not the inventor

—§ 1.48 for correction of inventorship

—§ 1.182 for decision on questions not specifically provided for

—§ 1.183 to suspend the rules

—§ 1.268 for late filing of interference settlement agreement

* * * * *

7. Section 1.22 is revised to read as follows:

§ 1.22 Fees payable in advance.

(a) Patent and trademark fees and charges payable to the Patent and Trademark Office are required to be paid in advance, that is, at the time of requesting any action by the Office for which a fee or charge is payable with the exception that under § 1.53 applications for patent may be assigned a filing date without payment of the basic filing fee.

(b) All patent and trademark fees paid to the Patent and Trademark Office should be itemized in each individual application, patent or other proceeding in such a manner that it is clear for which purpose the fees are paid.

8. Section 1.24 is revised to read as follows:

§ 1.24 Coupons.

Coupons in denominations of one dollar are sold by the Patent and Trademark Office for the convenience of regular purchasers of U.S. patents and trademark registrations; these coupons may not be used for any other purpose. The one dollar coupons are sold individually and in books of 50 with stubs for record for \$50. These coupons are good until used; they may be transferred but cannot be redeemed.

9. Section 1.41 is revised to read as follows:

§ 1.41 Applicant for patent.

(a) A patent must be applied for in the name of the actual inventor or inventors. Full names must be stated, including the family name and at least one given name without abbreviation together with any other given name or initial.

(b) Unless the contrary is indicated the word "applicant" when used in these sections refers to the inventor or joint inventors who are applying for a patent, or to the person mentioned in § 1.42, 1.43, or 1.47 who is applying for a patent in place of the inventor.

(c) Any person authorized by the applicant may file an application for patent on behalf of the inventor or inventors, but an oath or declaration for the application (§ 1.63) can only be made in accordance with § 1.64

(d) A showing may be required from the person filing the application that the filing was authorized where such authorization comes into question.

10. Section 1.42 is revised to read as follows:

§ 1.42 When the inventor is dead.

In case of the death of the inventor, the legal representative (executor, administrator, etc.) of the deceased inventor may make the necessary oath or declaration, and apply for and obtain the patent. Where the inventor dies during the time intervening between the filing of the application and the granting of a patent thereon, the letters patent may be issued to the legal representative upon proper intervention.

11. Section 1.43 is revised to read as follows:

§ 1.43 When the inventor is insane or legally incapacitated.

In case an inventor is insane or otherwise legally incapacitated, the legal representative (guardian, conservator, etc.) of such inventor may make the necessary oath or declaration, and apply for and obtain the patent.

12. Section 1.45 is amended by removing paragraphs (b) and (c) and the designation (a) to the first paragraph and by revising the text to read as follows:

§ 1.45 Joint inventors.

Joint inventors must apply for a patent jointly and each must make the required oath or declaration: neither of them alone, nor less than the entire number, can apply for a patent for an invention invented by them jointly, except as provided in § 1.47.

13. Section 1.46 is revised to read as follows:

§ 1.46 Assigned inventions and patents.

In case the whole or a part interest in the invention or in the patent to be issued is assigned, the application must still be made or authorized to be made, and an oath or declaration signed, by the inventor or one of the persons mentioned in §§ 1.42, 1.43, or 1.47. However, the patent may be issued to the assignee or jointly to the inventor and the assignee as provided in § 1.334.

14. Sections 1.47 is revised to read as follows:

§ 1.47 Filing when an inventor refuses to sign or cannot be reached.

(a) If a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself or herself and the omitted inventor. The oath or declaration in such an application must be accompanied by a petition including proof of the pertinent facts and by the required fee (§ 1.17(h)) and must state the last known address of the omitted inventor. The Patent and Trademark Office shall forward notice of the filing of the application to the omitted inventor at said address. Should such notice be returned to the Office undelivered, or should the address of the omitted inventor be unknown, notice of the filing of the application shall be published in the *Official Gazette*. The omitted inventor may subsequently join in the application on filing an oath or declaration of the character required by § 1.63. A patent may be granted to the inventor making the application, upon a showing satisfactory to the Commissioner, subject to the same rights which the omitted inventor would have had if he or she had been joined.

(b) Whenever an inventor refuses to execute an application for patent, or cannot be found or reached after diligent effort, a person to whom the inventor has assigned or agreed in writing to assign the invention or who otherwise shows sufficient proprietary interest in the matter justifying such action may make application for patent on behalf of and as agent for the inventor. The oath or declaration in such an application must be accompanied by a petition including proof of the pertinent facts and a showing that such action is necessary to preserve the rights of the parties or to prevent irreparable damage, and by the required fee § 1.17(h)) and must state the last known address of the inventor. The assignment, written agreement to assign or other evidence of proprietary interest, or a verified copy thereof, must be filed in the Patent and Trademark Office. The Office shall forward notice of the filing of the application to the inventor at the address stated in the application. Should such notice be returned to the Office undelivered, or should the address of the inventor be unknown, notice of the filing of the application shall be published in the *Official Gazette*. The inventor may subsequently join in the application on filing an oath or declaration of the character required by § 1.63. A patent may be granted to the inventor upon a showing satisfactory to the Commissioner.

15. A new section 1.48 is added to read as follows:

§ 1.48 Correction of inventorship.

If the correct inventor or inventors are not named in an application for patent through error without any deceptive intention on the part of the actual inventor or inventors, the application may be amended to name only the actual inventor or inventors. Such amendment must be diligently made and must be accompanied by (1) a petition including a statement of facts verified by the original named inventor or inventors establishing when the error without deceptive intention was discovered and how it occurred; (2) an oath or declaration by each actual inventor or inventors as required by § 1.63. (3) the fee set forth in § 1.17(h); and (4) the written consent of any assignee.

16. Section 1.51 is amended by revising paragraphs 1.51(a)(2) and (b) to read as follows:

§ 1.51 General requisites of a complete application.

(a) * * * * *

(2) An oath or declaration, see §§ 1.63 and 1.68.

* * * * *

(b) Applicants are encouraged to file an information disclosure statement. See §§ 1.97 through 1.99.

17. Section 1.52 is amended by revising paragraph (c) to read as follows:

§ 1.52 Language, paper, writing, margins.

* * * * *

(c) Any interlineation, erasure, cancellation or other alteration of the application papers filed must be made before the signing of any accompanying oath or declaration pursuant to § 1.63 referring to those application papers and should be dated and initialed or signed by the applicant on the same sheet of paper. No such alterations in the application papers are permissible after the signing of an oath or declaration referring to those application papers (§ 1.56(c)). After the signing of the oath or declaration referring to the application papers, amendments may only be made in the manner provided by §§ 1.121 and 1.123-1.125.

* * * * *

18. Section 1.53 is revised to read as follows:

§ 1.53 Serial number, filing date, and completion of application.

(a) Any application for a patent received in the Patent and Trademark Office will be assigned a serial number for identification purposes.

(b) The filing date of an application for patent is the date on which (1) a specification containing a description pursuant to § 1.71 and at least one claim pursuant to § 1.75, and (2) any drawing required by § 1.81(a), are filed in the Patent and Trademark Office. No new matter may be introduced into an application after its filing date (§ 1.118).

(c) If any application is filed without the specification or drawing required by paragraph (b) of this section, applicant will be so notified and given a time period within which to submit the omitted specification or drawing in order to obtain a filing date as of the date of filing of such submission. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less a \$50.00 handling fee.

(d) If an application which has been accorded a filing date pursuant to paragraph (b) of this section does not include the appropriate filing fee or an oath or declaration by the applicant, applicant will be so notified and given a period of time within which to file the fee, oath, or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. The notification pursuant to this paragraph may be

made simultaneously with any notification pursuant to paragraph (c) of this section.

(e) An application for a patent will not be placed upon the files for examination until all its required parts, complying with the rules relating thereto, are received, except that certain minor informalities may be waived subject to subsequent correction whenever required.

(f) The filing date of an international application designating the United States of America shall be treated as the filing date in the United States of America under PCT Article 11(3), except as provided in 35 U.S.C. 102(e).

19. Section 1.54 is revised to read as follows:

§ 1.54 Parts of application to be filed together; filing receipt.

(a) It is desirable that all parts of the complete application be deposited in the Office together; otherwise a letter must accompany each part, accurately and clearly connecting it with the other parts of the application. See § 1.53 with regard to completion of an application.

(b) Applicant will be informed of the application serial number and filing date by a filing receipt.

20. Section 1.55 is revised to read as follows:

§ 1.55 Claim for foreign priority.

(a) An applicant may claim the benefit of the filing date of a prior foreign application under the conditions specified in 35 U.S.C. 119 and 172. The claim to priority need be in no special form and may be made by the attorney or agent if the foreign application is referred to in the oath or declaration as required by § 1.63. The claim for priority and the certified copy of the foreign application specified in the second paragraph of 35 U.S.C. 119 must be filed in the case of interference (§ 1.224); when necessary to overcome the date of a reference relied upon by the examiner; or when specifically required by the examiner; and in all other cases they must be filed not later than the date the issue fee is paid. If the papers filed are not in the English language, a translation need not be filed except in the three particular instances specified in the preceding sentence, in which event a sworn translation or a translation certified as accurate by a sworn or official translator must be filed. If the priority papers are submitted after the date the issue fee is paid, they must be accompanied by a petition requesting their entry and the fee set forth in § 1.17(i).

(b) An applicant may under certain circumstances claim priority on the basis of an application for an inventor's certificate in a country granting both inventor's certificates and patents. When an applicant wishes to claim the right of priority as to a claim or claims of the application on the basis of an application for an inventor's certificate in such a country under 35 U.S.C. 119, last paragraph (as amended July 28, 1972), the applicant or his attorney or agent, when submitting a claim for such right as specified in paragraph (b) of this section, shall include an affidavit or declaration including a specific statement that, upon an investigation, he or she has satisfied himself or herself that to the best of his or her knowledge the applicant, when filing his or her application for the inventor's certificate, had the option to file an application either for a patent or an inventor's certificate as to the subject matter of the identified claim or claims forming the basis for the claim of priority.

21. Section 1.56 is amended by revising paragraph (c) to read as follows:

§ 1.56 Duty of disclosure; fraud; striking or rejection of applications.

* * * * *

(c) Any application may be stricken from the files if:

(1) An oath or declaration pursuant to § 1.63 is signed in blank;

(2) An oath or declaration pursuant to § 1.63 is signed without review thereof by the person making the oath or declaration;

(3) An oath or declaration pursuant to § 1.63 is signed without review of the specification, including the claims, as required by § 1.63(b); or

(4) The application papers filed in the Office are altered after the signing of an oath or declaration pursuant to § 1.63 referring to those application papers.

* * * * *

§ 1.57 [Removed]

22. Section 1.57 is removed.

23. Section 1.59 is revised to read as follows:

§ 1.59 Papers of application with filing date not to be returned.

Papers in an application which has received a filing date pursuant to § 1.53 will not be returned for any purpose whatever. If applicants have not preserved copies of the papers, the Office will furnish copies at the usual cost.

24. Section 49 § 1.60 is revised to read as follows:

§ 1.60 Continuation or divisional application for invention disclosed in a prior application.

A continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121), which discloses and claims only subject matter disclosed in a prior application may be filed as a separate application before the patenting or abandonment of or termination of proceedings on the prior application. Signing and execution of the application papers by the applicant may be omitted provided the copy is supplied by and accompanied by a statement by, the applicant or his or her attorney or agent that the application papers comprise a true copy of the prior application as filed. Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. Only amendments reducing the number of claims or adding a reference to the prior application (§ 1.78(a)) will be entered before calculating the filing fee and granting the filing date.

25. Section § 1.62 is revised to read as follows:

§ 1.62 File wrapper continuing procedure.

(a) A continuation, continuation-in-part, or divisional application, which uses the specification and drawings from a prior application to be abandoned, may be filed before the payment of the issue fee, abandonment of, or termination of proceedings on a prior application. The filing date of an application filed under this section is the date on which a request is filed for an application under this section including identification of the Serial Number, filing date, and applicant's name of the prior application.

(b) The filing fee for a continuation, continuation-in-part, or divisional application under this section is based on the number of claims remaining in the application after entry of any preliminary amendment and entry of any amendments under § 1.116 unentered in the prior application which applicant has requested to be entered in the continuing application.

(c) In the case of a continuation-in-part application which adds and claims additional disclosure by amendment, an oath or declaration as required by § 1.63 must also be filed. In a continuation or divisional application which discloses and claims only subject matter disclosed in a prior application, no additional oath or declaration is required.

(d) If an application which has been accorded a filing date pursuant to paragraph (a) of this section does not include the appropriate filing fee pursuant to paragraph (b) of this section, or an oath or declaration by the applicant in the case of a continuation-in-part application pursuant to paragraph (c) of this section, applicant will be so notified and given a period of time within which to file the fee, oath, or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. The notification pursuant to this para-

graph may be made simultaneously with any notification of a defect pursuant to paragraph (a) of this section.

(e) An application filed under this section will utilize the file wrapper and contents of the prior application to constitute the new continuation, continuation-in-part, or divisional application but will be assigned a new application serial number.

(f) The filing of an application under this section will be construed to include a waiver of secrecy by the applicant under 35 U.S.C. 122 to the extent that any member of the public who is entitled under the provisions of 37 CFR 1.14 to access to, or information concerning either the prior application or any continuing application filed under the provisions of this section may be given similar access to, or similar information concerning, the other application(s) in the file wrapper.

(g) The filing of a request for a continuing application under this section will be considered to be a request to expressly abandon the prior application as of the filing date granted the continuing application.

(h) The applicant is urged to furnish the following information relating to the prior application to the best of his or her ability:

- (1) Title as originally filed and as last amended;
- (2) Name of applicant as originally filed and as last amended;
- (3) Current correspondence address of applicant;
- (4) Identification of prior foreign application and any priority claim under 35 U.S.C. 119.

(i) Envelopes containing only application papers and fees for filing under this section should be marked "Box FWC".

26. A new section 1.63 is added to read as follows:

§ 1.63 Oath or declaration.

(a) An oath or declaration filed under § 1.51(a)(2) as a part of an application must:

- (1) Be executed in accordance with either § 1.66 or § 1.68;
- (2) Identify the specification to which it is directed;
- (3) Identify each inventor and the residence and country of citizenship of each inventor; and
- (4) State whether the inventor is a sole or joint inventor of the invention claimed.

(b) In addition to meeting the requirements of paragraph (a), the oath or declaration must state that the person making the oath or declaration:

- (1) Has reviewed and understands the contents of the specification, including the claims, as amended by any amendment specifically referred to in the oath or declaration;
- (2) Believes the named inventor or inventors to be the original and first inventor or inventors of the subject matter which is claimed and for which a patent is sought; and
- (3) Acknowledges the duty to disclose information which is material to the examination of the application in accordance with § 1.56(a).

(c) In addition to meeting the requirements of paragraphs (a) and (b) of this section, the oath or declaration in any application in which a claim for foreign priority is made pursuant to § 1.55 must identify the foreign application for patent or inventor's certificate on which priority is claimed, and any foreign application having a filing date before that of the application on which priority is claimed, by specifying the application number, country, day, month and year of its filing.

(d) In any continuation-in-part application filed under the conditions specified in 35 U.S.C. 120 which discloses and claims subject matter in addition to that disclosed in the prior copending application, the oath or declaration must also state that the person making the oath or declaration acknowledges the duty to disclose material information as defined in § 1.56(a) which occurred between the filing date of the prior application and the national or PCT international filing date of the continuation-in-part application.

27. A new section 1.64 is added to read as follows:

§ 1.64 Person making oath or declaration.

(a) The oath or declaration must be made by all of the actual inventors except as provided for in §§ 1.42, 1.43, or 1.47.

(b) If the person making the oath or declaration is not the inventor (§§ 1.42, 1.43, or 1.47), the oath or declaration shall state the relationship of the person to the inventor and, upon information and belief, the facts which the inventor is required to state.

§ 1.65 [Removed]

28. Section 1.65 is removed.

29. Section 1.67 is revised to read as follows:

§ 1.67 Supplemental oath or declaration.

(a) A supplemental oath or declaration meeting the requirements of § 1.63 may be required to be filed to correct any deficiencies or inaccuracies present in an earlier filed oath or declaration.

(b) A supplemental oath or declaration meeting the requirements of § 1.63 must be filed (1) when a claim is presented for matter originally shown or described but not substantially embraced in the statement of invention or claims originally presented, and (2) when an oath or declaration submitted in accordance with § 1.53(d) after the filing of the specification and any required drawings specifically and improperly refers to an amendment which includes new matter. No new matter may be introduced into an application after its filing date even if a supplemental oath or declaration is filed (§ 1.53(b); § 1.118). In proper cases the oath or declaration here required may be made on information and belief by an applicant other than inventor.

30. Section 1.69 is amended by revising paragraph (b) to read as follows:

§ 1.69 Foreign language oaths and declarations.

* * * * *

(b) Unless the text of any oath or declaration in a language other than English is a form provided or approved by the Patent and Trademark Office, it must be accompanied by a verified English translation, except that in the case of an oath or declaration filed under § 1.63 the translation may be filed in the Office no later than two months from the date applicant is notified to file the translation.

31. Section 1.70 is amended by revising the title and paragraph (a) to read as follows:

§ 1.70 Oath or declaration under 35 U.S.C. 371(c)(4).

(a) When an applicant of an international application, if the inventor, desires to enter the national stage under 35 U.S.C. 371, he or she must file an oath or declaration in accordance with § 1.63.

* * * * *

32. Section 1.77 is amended by revising paragraphs (h) and (i) to read as follows:

§ 1.77 Arrangement of application elements.

* * * * *

- (h) Abstract of the disclosure.
- (i) Signed oath or declaration.

* * * * *

33. The center heading preceding § 1.97 and section 1.97 are revised to read as follows:

INFORMATION DISCLOSURE STATEMENT

§ 1.97 Filing of information disclosure statement.

(a) As a means of complying with the duty of disclosure set forth in § 1.56, applicants are encouraged to file an information disclosure statement at the time of filing the application or within the later of three months after the filing date of the application or two months after applicant receives the filing receipt. If filed separately, the disclosure statement should, in addition to the identification of the application, include the Group Art Unit to which the application is assigned as indicated on the filing receipt. The disclosure statement may either be separate from the specification or may be incorporated therein.

(b) A disclosure statement filed in accordance with paragraph (a) of this section shall not be construed as a representation that a search has been made or that no other material information as defined in § 1.56(a) exists.

34. Section 1.98 is amended by revising the title and paragraph (a) to read as follows:

§ 1.98 Content of information disclosure statement.

(a) Any disclosure statement filed under § 1.97 or § 1.99 shall include: (1) A listing of patents, publications or other information and (2) a concise explanation of the relevance of each listed item. The disclosure statement shall be accompanied by a copy of each listed patent or publication or other item of information in written form or of at least the portions thereof considered by the person filing the disclosure statement to be pertinent. All United States patents listed should be identified by their patent numbers, patent dates and names of the patentees. Each foreign published application or patent should be cited by identifying the country or office which issued it, the document number and publication date indicated on the document. Each printed publication should be identified by author (if any), title of the publication, pages, date and place of publication.

* * * * *

35. Section 1.9 is revised to read as follows:

§ 1.99 Updating of information disclosure statement.

If prior to issuance of a patent an applicant, pursuant to his or her duty of disclosure under § 1.56 wishes to bring to the attention of the Office additional patents, publications or other information not previously submitted, the additional information should be submitted to the Office with reasonable promptness. It may be included in a supplemental information disclosure statement or may be incorporated into other communications to be considered by the examiner. Any transmittal of additional information shall be accompanied by explanations of relevance and by copies in accordance with the requirements of § 1.98.

36. Section 1.101 is amended by revising paragraph (a) to read as follows:

§ 1.101 Order of examination.

(a) Applications filed in the Patent and Trademark Office and accepted as complete applications are assigned for examination to the respective examining groups having the classes of inventions to which the applications relate. Applications shall be taken up for examination by the examiner to whom they have been assigned in the order in which they have been filed except for those applications in which examination has been advanced pursuant to § 1.102 and those applications in which the Office has accepted a request for waiver of patent rights filed under § 1.139. International applications which have complied with the requirements of 35 U.S.C. 371(c) will be taken up for action based on the date on which such requirements were met. However, unless a request has been filed under 35 U.S.C. 371(f) no action may be taken prior to 21 months from the priority date.

* * * * *

37. Section 1.118 is revised to read as follows:

§ 1.118 Amendment of disclosure.

(a) No amendment shall introduce new matter into the disclosure of an application after the filing date of the application § 1.53(b)). All amendments to the specification, including the claims, and the drawings filed after the filing date of the application must conform to at least one of them as it was at the time of the filing of the application. Matter not found in either, involving a departure from or an addition to the original disclosure, cannot be added to the application after its filing date even though supported by an oath or declaration in accordance with § 1.63 or § 1.67 filed after the filing date of the application.

(b) If it is determined that an amendment filed after the filing date of the application introduces new matter, claims containing new matter will be rejected and deletion of the new matter in the specification and drawings will be required even if the amendment is accompanied by an oath or declaration in accordance with § 1.63 or § 1.67.

38. Section 1.123 is revised to read as follows:

§ 1.123 Amendments to the drawing.

No change in the drawing may be made except by permission of the Office. Permissible changes in the construction shown in any drawing may be made only by bonded draftsmen, at applicant's expense, or by the submission of substitute drawings by applicant. A sketch in permanent ink showing proposed changes, to become part of the record, must be filed for approval by the examiner. The paper requesting amendments to the drawing should be separate from other papers.

39. Section 1.125 is revised to read as follows:

§ 1.125 Substitute specification.

If the number or nature of the amendments shall render it difficult to consider the case, or to arrange the papers for printing or copying, the examiner may require the entire specification, including the claims, or any part thereof, to be rewritten. A substitute specification may not be accepted unless it has been required by the examiner or unless it is clear to the examiner that acceptance of a substitute specification would facilitate processing of the application. Any substitute specification filed must be accompanied by a statement that the substitute specification includes no new matter. Such statement must be a verified statement if made by a person not registered to practice before the Office.

40. Section 1.131 is amended by revising paragraph (a) to read as follows:

§ 1.131 Affidavit or declaration of prior invention to overcome cited patent or publication.

(a) When any claim of an application or a patent under reexamination is rejected on reference to a domestic patent which substantially shows or describes but does not claim the rejected invention, or on reference to a foreign patent or to a printed publication, and the applicant or the owner of the patent under reexamination shall make oath or declaration as to facts showing a completion of the invention in this country before the filing date of the application on which the domestic patent issued, or before the date of the foreign patent, or before the date of the printed publication, then the patent or publication cited shall not bar the grant of a patent to the applicant or the confirmation of the patentability of the claims of the patent, unless the date of such patent or printed publication is more than one year prior to the date on which the applicant's or patent owner's application was filed in this country.

* * * * *

41. Section 1.132 is revised to read as follows:

§ 1.132 Affidavits or declarations traversing grounds of rejection.

When any claim of an application or a patent under reexamination is rejected on reference to a domestic patent which substantially shows or describes but does not claim the invention, or on reference to a foreign patent, or to a printed publication, or to facts within the personal knowledge of an employee of the Office, or when rejected upon a mode or capability of operation attributed to a reference, or because the alleged invention is held to be inoperative or lacking in utility, or frivolous or injurious to public health or morals, affidavits or declarations traversing these references or objections may be received.

42. Section 1.137 is amended by revising paragraph (b) to read as follows:

§ 1.137 Revival of abandoned application.

* * * * *

(b) An application unintentionally abandoned for failure to prosecute, except pursuant to § 1.53(d), may be revived as a pending application if the delay was unintentional. A petition to revive an unintentionally abandoned application must be filed within one year of the date on which the application became abandoned or be filed within three months of the date of the first decision on a petition to revive under paragraph (a) of this section which was filed within one year of the date of abandonment of the application. A petition to revive an unintentionally abandoned application must be accompanied by (1) a statement that the abandonment was unintentional, (2) a proposed response unless it has been previously filed, and (3) a petition fee as set forth in § 1.17(m). Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The Commissioner may require additional information where there is a question whether the abandonment was unintentional. The three month period set forth in this paragraph may be extended under the provisions of § 1.136(a), but no further extensions under § 1.136(b) will be granted. Petitions to the Commissioner under § 1.83 to waive any time periods for requesting revival of an unintentionally abandoned application will not be considered, but will be returned to the applicant.

* * * * *

43. Section 1.153 is amended by revising paragraph (b) to read as follows:

§ 1.153 Title, description and claim, oath or declaration.

* * * * *

(b) The oath or declaration required of the applicant must comply with § 1.63.

44. Section 1.154 is amended by revising paragraph (e) to read as follows:

§ 1.154 Arrangement of specification.

* * * * *

(e) Signed oath or declaration (See § 1.153(b)).

45. Section 1.162 is revised to read as follows:

§ 1.162 Applicant, oath or declaration.

The applicant for a plant patent must be the person who has invented or discovered and asexually reproduced the new and distinct variety of plant for which a patent is sought (or as provided in §§ 1.42, 1.43, and 1.47). The oath or declaration required of the applicant in addition to the averments required by § 1.63, must state that he or she has asexually reproduced the plant. Where the plant is a newly found plant the oath or declaration must also state that it was found in a cultivated area.

46. Section 1.163 is amended by revising paragraph (b) to read as follows:

§ 1.163 Specification.

* * * * *

(b) Two copies of the specification (including the claim) must be submitted, but only one signed oath or declaration is required. The second copy of the specification may be a legible carbon copy of the original.

47. Section 1.172 is amended by revising paragraph (a) to read as follows:

§ 1.172 Applicants, assignees.

(a) A reissue oath must be signed and sworn to or declaration made by the inventor or inventors except as otherwise provided (see §§ 1.42, 1.43, 1.47), and must be accompanied by the written assent of all assignees, if any, owning an undivided interest in the patent, but a reissue oath may be made and sworn to or declaration made by the assignee of the entire interest if the application does not seek to enlarge the scope of the claims of the original patent.

* * * * *

48. Section 1.174 is amended by revising paragraph (a) to read as follows:

§ 1.174 Drawings.

(a) The drawings upon which the original patent was issued may be used in reissue applications if no changes whatsoever are to be made in the drawings. In such cases, when the reissue application is filed, the applicant must submit a temporary drawing which may consist of a copy of the printed drawings of the patent or a photoprint of the original drawings of the size required for original drawing.

* * * * *

49. Section 1.175 is amended by revising the introductory text of paragraph (a) to read as follows:

§ 1.175 Reissue oath or declaration.

(a) Applicants for reissue, in addition to complying with the requirements of § 1.63 must also file with their applications a statement under oath or declaration as follows:

* * * * *

50. Section 1.324 is revised to read as follows:

§ 1.324 Correction of inventorship in patent.

Whenever a patent is issued and it appears that the correct inventor or inventors were not named through error without deceptive intention on the part of the actual inventor or inventors, the Commissioner may, on petition of all the parties and the assignees and satisfactory proof of the facts and payment of the fee set forth in § 1.20(b), or on order of a court before which such matter is called in question, issue a certificate naming only the actual inventor or inventors.

51. Section 1.325 is revised to read as follows:

§ 1.325 Other mistakes not corrected.

Mistakes other than those provided for in §§ 1.322, 1.323, 1.324, and not affording legal grounds for reissue or for reexamination, will not be corrected after the date of the patent.

52. A new § 1.335 is added to read as follows:

§ 1.335 Filing of notice of arbitration awards.

(a) Written notice of any award by an arbitrator pursuant to 35 U.S.C. 294 must be filed in the Patent and Trademark Office by the patentee, or the patentee's assignee or licensee. If the

award involves more than one patent a separate notice must be filed for placement in the file of each patent. The notice must set forth the patent number, the names of the inventor and patent owner, and the names and addresses of the parties to the arbitration. The notice must also include a copy of the award.

(b) If an award by an arbitrator pursuant to 35 U.S.C. 294 is modified by a court, the party requesting the modification must file in the Patent and Trademark Office, a notice of the modification for placement in the file of each patent to which the modification applies. The notice must set forth the patent number, the names of the inventor and patent owner, and the names and addresses of the parties to the arbitration. The notice must also include a copy of the court's order modifying the award.

(c) Any award by an arbitrator pursuant to 35 U.S.C. 294 shall be unenforceable until any notices required by paragraph (a) or (b) of this section are filed in the Patent and Trademark Office. If any required notice is not filed by the party designated in paragraph (a) or (b) of this section, any party to the arbitration proceeding may file such a notice.

53. Section 5.12 is revised to read as follows:

§ 5.12 Petition for license.

(a) Filing of an application for patent for inventions made in the United States will be considered to include a petition for license under 35 U.S.C. 184 for the subject matter of the application. The filing receipt will indicate if a license is granted. If the initial automatic petition is not granted, a subsequent petition may be filed under paragraph (b) of this section.

(b) Petitions for license under 35 U.S.C. 184 should be presented in letter form and should include petitioner's address, and full instructions for delivery of the requested license when it is to be delivered to other than the petitioner.

GERALD J. MOSSINGHOFF,
*Commissioner of
Patents and Trademarks*

Dec. 23, 1982.

[1027 OG 9]

(60) Deposit Accounts—Statutory Fee Charges

Beginning on May 1, 1966, and until further notice, statutory fees, including filing fees for patent, design, and trademark applications, issue fees, appeal fees and opposition, cancellation and petition fees may be charged against the deposit accounts provided for by Rule 25(a) of the Rules of Practice in patent cases. During this period the prohibition of Rule 25(b) against such charges will be suspended.

In view of the facts that these fees are indispensable parts of the actions to which they relate and that the charging of a fee against an account which does not contain sufficient funds to cover it cannot be regarded as a payment of the fee, it is evident that the overdrawing of a deposit account may result in the loss of a vital date and may also impose a substantial burden on the Patent Office in making appropriate correction of its records. It is, therefore, necessary that effective steps be taken to avoid such overdrafts, as follows:

Checks of all accounts will be made periodically, and if any account is found to have been overdrawn, it will be immediately removed from the active accounts and no further drafts on it will be honored. Prompt payment of the outstanding balance will be required and the depositor or his attorney may be called on for an itemized statement identifying all statutory fees charged against the account during the period in question in order that it may be ascertained whether any previously granted date should be withdrawn.

It is emphasized that the success of the procedure outlined above depends upon the maintenance of a sufficient balance in deposit accounts at all times to meet any charges made against them. The Office must, therefore, strictly refuse to permit any depositor who has once overdrawn his account to maintain such an account in the future and in the event that any substantial number of overdrafts occurs it may be necessary to reestablish the prohibition of Rule 25(b) against charging statutory fees against deposit accounts.

Accordingly, effective May 1, 1966, the requirement of Rule 25(a) that an amount sufficient to cover all charges made against an account must always be on deposit will be strictly enforced, regardless of whether any fee is included in such charges and where this requirement is not complied with the account involved will be removed from the active accounts.

EDWARD J. BRENNER,
Commissioner.

Feb. 23, 1966.

[824 O.G. 1200]

(61) Request for Refunds

In order to expedite the processing of refunds for payment of fees by actual mistake or in excess of the designated fees, attorneys and applicants requesting refunds should direct their correspondence to the attention of the "Refund Section, Accounting Division, Office of Finance." This procedure should be followed whether the request is for a refund check or for a credit to the deposit account. The problems of misrouting the request for a refund in the Patent and Trademark Office would be alleviated and the payment of refunds accelerated.

BRADFORD R. HUTHER,
*Assistant Commissioner
for Finance & Planning.*

[1024 O.G. 59 (11-23-82)]

(62) Deposit Account Authorizations

The rules of practice were amended effective Oct. 1, 1982, at 37 CFR 1.25(b) to state that: "A general authorization to charge all fees, or only certain fees, set forth in §§ 1.16 to 1.18 to a deposit account may be filed in an individual application, either for the entire pendency of the application or with respect to a particular paper filed." A general authorization would not apply to document supply fees under § 1.19, such as those required for certified copies; to post-issuance fees under § 1.20 such as those required for maintenance fees; or to miscellaneous fees and charges under § 1.21, such as assignment recording fees.

Many applications filed prior to Oct. 1, 1982, contain broad language authorizing any additional fees which might have been due to be charged to a deposit account. The Patent and Trademark Office does not interpret such broad authorizations, filed prior to Oct. 1, 1982, to include authorization to charge to a deposit account the issue fee or other fees in sections 1.16, 1.17 and 1.18 except those associated with the paper containing the broad authorization. However, such a broad authorization filed in an application on or after Oct. 1, 1982, will be interpreted as authorization to charge the issue fee; as well as any other fee set forth in §§ 1.16, 1.17 or 1.18. Fees under sections 1.19, 1.20 and 1.21 will not be charged as a result of a general authorization under section 1.25.

It is recommended that authorizations to charge fees to deposit accounts include reference to the particular fees or fee sections of the rules which applicant intends to authorize. For example, if filing and processing fees under §§ 1.16 and 1.17 only are intended to be included in the authorization, and not the issue fee under § 1.18, the authorization could read: "The Commissioner is hereby authorized to charge any fees under 37 CFR 1.16 and 1.17 which may be required during the entire pendency of the application to Deposit Account No. . . ." Such an authorization would clearly exclude issue fees under 37 CFR 1.18 while including all the filing and processing fees listed in 37 CFR 1.16 and 1.17. Similarly, if it were intended to authorize the charging of fees relating only to a specific paper, the authorization could read "The Commissioner is hereby authorized to charge any fees under 37 CFR 1.16 and 1.17 which may be required by this paper to Deposit Account No. . . ." Such authorizations would cover situations in which a check to cover a filing and processing fee under 37 CFR 1.16 and 1.17 was omitted or was for an amount less than the amount required.

It is extremely important that the authorization be clear and unambiguous. If applicants file authorizations which are ambiguous and which deviate from the usual forms of authorizations, the Office may not interpret the authorizations in the manner applicants intend. In such cases applicants could be subject to further expenses, petitions, etc. in order to correct fees which were not charged as intended due to an ambiguous authorization.

July 1, 1983.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1032 OG 32]

(63) Deposit Account Authorization to Charge Issue Fee

This notice supplements the Official Gazette notice, dated July 1, 1983, published at 1032 O.G. 33 on July 26, 1983.

The rules of practice were amended effective Oct. 1, 1982, at 37 CFR 1.25(b) to state that: "A general authorization to charge all fees, or only certain fees, set forth in 37 CFR 1.16 to 1.18 to a deposit account may be filed in an individual application, either for the entire pendency of the application or with respect to a particular paper filed."

The Patent and Trademark Office will treat broad language to "charge any additional fees which may be required at any time during the prosecution of the application" as authorization to charge the issue fee on applications filed on or after Oct. 1, 1982.

Sept. 30, 1988

RENE D. TEGTMEYER,
*Assistant Commissioner
for Patents*

[1095 OG 44]

(64) Notice to All Deposit Account Holders

Beginning Oct. 7, 1983, please *mail deposit account remittances only to:*

Patent and Trademark Office
P.O. Box 70541
Chicago, Ill 60673

To expedite credit to your deposit account and the treasury, and arrangement has been made between the Patent and Trademark Office, Treasury Department, and the First National Bank of Chicago utilizing a special "lockbox" depository to receive deposit account remittances.

Checks should continue to be made payable to the Commissioner of Patents and Trademarks and be accompanied by it *the top portion of your deposit account statement.* Submit only remittances for deposit accounts to this new address. All other correspondence should continue to be addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

LEONARD L. NAHME,
Director Office of Finance.

[1035 OG 27]

(65) Use of Restricted Deposit Account for Electronic Ordering of Patent and Trademark Copies

Effective July 1, 1986, the restricted deposit account will be made available to those members of the public who wish to use it for electronic ordering of patent and trademark copies. The restricted deposit account requires maintenance of a minimum balance of \$300.00 at the end of each month, as compared to the unrestricted account which requires a minimum balance of \$1,000.00.

In FY 1986, the Office established the restricted deposit

account for use in charging subscriptions for copies of newly issued patents by subject matter classification. Establishment of a PTO deposit account is a prerequisite for subscription service.

Recently, the Office established an electronic ordering service (EOS), a method of ordering copies of patents and trademarks through the use of a computer terminal and modem. EOS is available only to PTO deposit account holders.

Many people who are interested in using EOS to order copies of patents and trademarks and who do not have PTO deposit accounts find the \$1,000.00 balance required for the unrestricted account prohibitive. Therefore, the use of restricted account is being expanded to incorporate EOS ordering. Subscription and EOS ordering are the only two services for which restricted accounts may be used. If you have any questions on subscriptions or EOS, please call Mary Brown on (703) 557 3236. If you have questions on deposit accounts, please call Delores Riley on (703) 557 3227.

THERESA A. BRELSFORD,
*Assistant Commissioner,
for Administration.*

June 23, 1986.

[1068 OG 37]

(66) Telephone Changes for Deposit Account Status Line

Effective Nov. 18, 1991, new telephone exchange numbers will be made for the Deposit Account Status Line. On that date, Deposit Account Balance information can be obtained by calling (703) 305-8735 or (703) 305-8746 from 6:30 a.m. until mid-night, Eastern time, Monday thru Friday, except for Federal holidays.

Questions that may arise pertaining to the information received through use of the status line may be referred to the Deposit Account Division at (703) 308-0902. Calls will be received on the answering machine 24 hours a day, seven days a week.

Oct. 31, 1991

BRADFORD HUTHER
*Assistant Commissioner for
Finance and Planning*

[1132 OG 48]

(67) Unpaid Fee Checks

Beginning Dec. 1, 1987, the Office will change the procedure for handling fee checks of attorneys and agents that are returned to the Office unpaid. Presently, when a check submitted as payment for an application, a processing, an issue or any other fee is returned to the Office unpaid, the Office of Finance sends a letter to the attorney or agent who represents the applicant, or to the applicant if unrepresented by an attorney or agent, enclosing the check and calling attention to the fact that the check was returned unpaid. Beginning Dec. 1, 1987, the Office of Finance will send a copy of its letter to the applicant if the letter is addressed to an attorney or agent. The prohibition of 37 CFR §§ 1.33 and 2.18 against double correspondence is waived in view of the submission of a check that is returned unpaid to the Office.

A registered patent attorney or agent who repeatedly submits checks that are returned unpaid through no fault of the bank may expect to have the matter referred to the Office of Enrollment and Discipline.

Oct. 5, 1987.

DONALD W. PETERSON,
Deputy Commissioner

[1083 TMOG 44]

(68) Posting of Filing Fee Codes

We are making a minor change in the recording of fees so that we can speed up the processing of mail.

First, a brief explanation of the problem. Incoming mail to the PTO has soared. The number of envelopes received in the Mail Room in the first four months of this fiscal year is almost 30% higher than for the same period last year. This sudden increase has taxed existing resources and a backlog has developed. It takes a new employee over one year to become proficient in recognizing the hundreds of different types of documents entering the Office, the appropriate fee codes to apply, and the appropriate destination.

One of the most time-consuming functions of the Mail Room initial review clerks is the determination of how many independent and dependent claims there are in a patent application so that the appropriate amounts can be coded for the basic application fee, the extra independent claim fee, the extra total claim fee, and the multiple dependent claim fee. This can involve a substantial amount of time in complicated cases, particularly when there are preliminary amendments. With over 30,000 individual documents patent applications and all other mail to be processed and routed each day, such time-consuming delays have a severe adverse impact in moving all the work.

So, effective immediately, we are making a change which will move the mail more quickly. Rather than go through the time-consuming computation in the Mail Room to determine the amount to charge to each specific claim fee code, the total amount received will be recorded in one filing code. The detailed calculations will continue to be done later in the process where, in conjunction with the formality review of the application, the analysis takes place as to whether or not the fee submitted was correct. The individual charges remain the same and the information on claims contained in the application will continue to be reported on the application filing receipt without change. Here's what would be seen on deposit account charges and checks:

- 101 - Includes amount for basic filing fee, extra independent claims, extra total claims, and multiple dependent claims, previously recorded as 101, 102, 103, and 104, respectively.
- 201 - Includes same items as above for small entity applications, previously recorded as 201, 202, 203, and 204.
- 108 - Includes same items as above for reissue applications, previously recorded as 108, 109, and 110.
- 208 - Includes same items as above for small entity reissue applications, previously recorded as 208, 209, and 210.

This revised procedure allows us to be more efficient.

Mar. 31, 1988. **THERESA A. BRELSFORD,**
*Assistant Commissioner
for Administration*

[1089 OG 57]

(69) **Use of Metric System of Measurements
in Patent Applications**

The ability of the United States to compete in world trade and improve our trade balance is becoming more important and more difficult each day as our competitors get stronger. Presently, the United States is the only industrial country which has not adopted the metric system of weights and measures. The lack of U.S. goods being produced and packaged under metric standards results in our country being at a competitive disadvantage in world markets.

To improve our competitiveness, in the 1988 trade bill, Congress established metric as the Nation's "preferred system of units for United States trade and commerce," and set a 1992 date for Federal agencies to complete their transition to metric uses in "procurement, grants and other business related activities".

To implement the congressional designation of the metric system of measurement for U.S. trade and commerce, the President on July 25, 1991, issued an Executive Order (Metric Usage in Federal Government Programs) for the Federal Government to lead the way in metric usage. The Department of Commerce has been designated as the lead agency responsible for coordinating usage by the Federal Government.

The Patent and Trademark Office (PTO) does not currently

require weights and measures in patent applications to be stated in the metric system. However, in Section 608.01 of the Manual of Patent Examining Procedure, all patent applicants are strongly encouraged to use either (1) only metric units or (2) inch-pound units together with their metric equivalents, when describing their inventions in the specifications of patent applications.

In the spirit of the Executive Order, the PTO reiterates and emphasizes strong encouragement for patent applicants to use the metric system of weights and measurements in patent applications. At some future time when there has been a sufficient conversion to metric usage by U.S. research and development industries, the PTO will consider making it a requirement that patent applicants use metric units in patent applications.

Jan. 15, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1135 OG 55]

(70)

**Department of Commerce
Patent and Trademark Office
37 CFR Part 1 and Part 10**

**[Docket No. 920671-2171]
RIN 0651-AA55**

**Changes in Signature and Filing Requirements for
Correspondence Filed in the Patent and Trademark Office**

Agency: Patent and Trademark Office, Commerce
Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office (Office) is proposing to amend the rules of practice in patent and trademark cases to: specify the types of correspondence which would no longer require original signatures; provide for facsimile transmission of certain correspondence to the Office; discontinue use of the drop box at Crystal Plaza Building 3 and at the Department of Commerce Building in Washington, D. C.; and clarify other provisions with respect to practice before the Office.

Dates: Written comments must be received on or before Oct. 13, 1992 to ensure consideration. An oral hearing will not be conducted.

Addresses: Address written comments to the Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231, marked to the attention of Abraham Hershkovitz. Comments may be sent by facsimile to the attention of Abraham Hershkovitz at (703) 305-8825.

For Further Information Contact: Abraham Hershkovitz by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: The specific revisions proposed are discussed below:

(1) Types of correspondence no longer requiring original signatures (§ 1.4)

The phrase "correspondence" is proposed to be utilized since the terms "papers", "letters" and "fees" all fall within the generic definition of "correspondence". Prosecution of some applications has been significantly delayed in the past by the Office requirement that all responses be personally signed. That requirement for a personal signature would prevent the Office from accepting the filing of certain correspondence by facsimile transmission as explained in the discussion of proposed § 1.6(d).

It is therefore proposed that § 1.4(d) be added to specify the types of correspondence which require personal signatures and the manner in which correspondence should be signed. The Office will accept copies of correspondence which do not require an original handwritten signature, including photocopies or facsimile transmissions. For example, a photocopy or facsimile transmission of an amendment signed by the attorney may be submitted to the Office. However, a photocopy or any other reproduction of a signature may not be affixed, by anyone other than the person whose signature is being reproduced, to correspondence requiring a signature. Correspondence submitted to

the Office with original signatures should be submitted with signatures in a color of ink different from the printing on the paper so that the Office may easily recognize that the correspondence has been personally signed. Correspondence bearing an original signature, if not submitted to the Office, should be retained by applicants as evidence of proper execution in the event that questions arise as to the authenticity of the photocopy or facsimile-transmitted correspondence. If a question of authenticity arises, the Office may require submission of the correspondence bearing the original signature.

Correspondence submitted in an application filed under the Patent Cooperation Treaty often require an original handwritten signature either by the treaty or the regulations under the treaty. Other examples where original signatures will continue to be required are in patent interference proceedings, enrollment and disciplinary investigations and disciplinary proceedings. Proposed § 1.4(e) identifies the types of correspondence which will continue to require original signatures. Copies, including photocopies or facsimile transmissions, of correspondence which require an original handwritten signature will not be accorded a filing date and may be disposed of. (See § 10.18 for signature requirements of a practitioner). Furthermore, when certified documents must be filed, such as a certified copy of a foreign patent application, pursuant to 35 U.S.C. 119; a certified copy of a foreign trademark registration, pursuant to 15 U.S.C. 1126(e); a certified copy of a final court order, pursuant to 15 U.S.C. 1119; or a certified copy of a U.S. trademark registration, only the original certification is acceptable for filing in the Office. However, this requirement for an original certification of documents does not apply to certifications such as required under §§ 1.8, 1.10 and 1.97(e). The phrase "personal signature" and "personally signed" as used in this section refers to an original handwritten signature.

(2) Identification of applications (§ 1.5)

Section 1.5(a) is proposed to be amended to make reference to the certificate procedure under § 1.8 consistent with the newly proposed title for § 1.8.

(3) Receipt of correspondence (§ 1.6)

A descriptive heading is proposed to be added to each paragraph of § 1.6 to identify the content of that paragraph.

The phrase "correspondence" is proposed to be utilized since the term "papers", "letters" and "fees" all fall within the generic definition of "correspondence".

Section 1.6(a) is proposed to be amended to clarify that correspondence transmitted by facsimile on weekends and Federal holidays within the District of Columbia, will be accorded the next business day as a receipt date.

Sections 1.6(b) and (c) are proposed to be amended to clarify that weekdays refer to any day except a Saturday, Sunday, or Federal holiday within the District of Columbia.

Section 1.6(c) is proposed to be amended to delete reference to the box locations in the lobby of Crystal Plaza Building 3, Arlington, Virginia and at the Department of Commerce Building in Washington, D.C. The use of the drop boxes was discontinued on April 21, 1992 and the hours of operation for the attorney's window were extended to midnight, the same hours the drop boxes were available. The public can now deposit correspondence with the Office and receive a receipt after normal business hours. See "Changes in How Papers May be Filed in the Patent and Trademark Office", 1137 *Off. Gaz. Pat. Office* 7 (April 7, 1992). Use of the drop boxes at Crystal Plaza Building 3 and Department of Commerce Building locations had caused problems for both the public and the Office. It occasionally had been difficult to determine the dates of actual deposit of correspondence in the boxes. On occasion, Office employees and/or members of the public had been denied access to the drop box at the Department of Commerce by building security guards due to a special event taking place at the Department. Additionally, there were instances of correspondence being found outside of the drop boxes (e.g., on the floor of the main lobby of the Department of Commerce Building, on the guard's desk, on a nearby table, etc.). As a result, on occasion, the Office lacked confidence in assigning correct dates of receipt to correspondence deposited in the boxes at Crystal Plaza Building 3 and at the Department of Commerce Building. Given these difficulties,

and the fact that the necessity for these boxes is greatly diminished as a result of the facsimile transmission and certificate of transfer (formerly mailing) procedures, § 1.6(c) is proposed to be permanently amended by deleting reference to the drop boxes at Crystal Plaza Building 3 and the Department of Commerce Building. While this procedural change has already been implemented, the Office welcomes comments regarding the boxes before the procedure is finalized.

A new section 1.6(d) is proposed to be added to specify the types of correspondence which may be transmitted by facsimile and current § 1.6(d) is proposed to be redesignated as § 1.6(e). The widespread use of facsimile transmission and the resulting time saved in correspondence between applicants and the Office prompted the Office to establish a trial program to accept facsimile transmission of certain correspondence. The policy on "Filing of Certain Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmissions" was published at 1096 *Off. Gaz. Pat. Office* 30 (Nov. 15, 1988) and was supplemented in the notice "Filing of Certain Papers with the Board of Patent Appeals and Interferences by Facsimile Transmission" published at 1108 *Off. Gaz. Pat. Office* 15 (Nov. 14, 1989). A comparable policy for trademarks was announced at 1123 *Off. Gaz. Pat. Office* 18 (Feb. 12, 1991). In light of the success of the trial program, a policy on acceptance of facsimile transmission is proposed to be incorporated into § 1.6(d). The exceptions to the use of facsimile-transmitted correspondence have been reduced and are identified in proposed § 1.6(d)(1)-(8). The exceptions cover situations where the correspondence being transmitted are original documents or correspondence requiring original signatures as specified in proposed § 1.4 and situations where accepting a facsimile transmission would be unduly burdensome to the Office. As a courtesy, the Office will attempt to notify senders whenever a facsimile transmission received falls within one of these exceptions. Senders are cautioned against submitting such excepted correspondence by facsimile transmission since such correspondence will not receive a filing date or date of receipt in the Office, and are subject to disposal.

Drawings and other correspondence filed for the purpose of obtaining an application filing date will not be accorded a date of receipt if transmitted by facsimile. Formal drawings may not be filed by facsimile in patent applications because the quality of the drawings received by facsimile transmission is not of a quality sufficient to comply with the drawing requirements set forth in § 1.84. Applicants are therefore encouraged to submit by facsimile only informal drawings or proposed drawing corrections.

As to specimens and drawings in trademark cases, the proposed rule relaxes the requirements set out in the notice entitled "Filing of Certain Trademark Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmission", 1123 *Off. Gaz. Pat. Office* 18 (Feb. 12, 1991). The proposed rule continues to prohibit the transmission by facsimile of the original application, the section 8 or section 9 affidavit, the statement of use or the amendment to allege use. However, the proposed rule permits the facsimile transmission of drawings or specimens in response to an Office action. The same standards of drawing clarity and size apply to drawings received via facsimile. In a like manner, facsimile-transmitted specimens must be legible in order to be accepted and examined as specimens.

The date of receipt accorded to any correspondence permitted to be sent by facsimile transmission is the date the complete transmission is received by an Office facsimile unit, unless the transmission is completed on a Saturday, Sunday or Federal holiday within the District of Columbia. Correspondence for which transmission was completed on a Saturday, Sunday or Federal holiday within the District of Columbia, will be accorded a receipt date of the next succeeding day which is not a Saturday, Sunday or Federal holiday in the District of Columbia. As an example, correspondence sent by facsimile from California on a Friday at 8:45 p.m. is completely transmitted at 9:05 p.m. Pacific time. The complete transmission would be received in the Office around 12:05 a.m. Eastern time on Saturday. The receipt date accorded to the correspondence is the date of the following business day, which in this case, would be Monday.

(4) Certificate of Transfer procedure (§ 1.8)

The title of § 1.8 is proposed to be changed from Certificate of Mailing to the more generic Certificate of Transfer so as to include facsimile transmissions.

Section 1.8(a) presently prescribes procedures for the use of a certificate of mailing to file papers or fees in the Office by first class mail. The phrase "papers or fees" in § 1.8(a) is proposed to be changed to "correspondence" since both "papers" and "fees" fall within the generic definition of "correspondence". Paragraphs (a) and (b) of § 1.8 are proposed to be amended to include correspondence transmitted by facsimile. In the event that correspondence is filed by facsimile transmission, it is recommended that the sending facsimile machine generate a report confirming transmission for each transmission session. This report should be retained by the sender, along with the correspondence used as the original, as evidence of content and date of transfer. Paragraph (a)(2) of § 1.8 is proposed to be amended to include separate headings for correspondence which relate to patents, trademarks and disciplinary proceedings. The sequence of some of the paragraphs found in § 1.8 (a)(2) has been changed in order to have those paragraphs listed under the appropriate heading. The ability to use the Certificate of Transfer procedures has been expanded to the filing of an affidavit under section 15, subsection (3) of the Trademark Act, 15 U.S.C. 1065(3), the filing of a notice of election to proceed by civil action in an *inter partes* proceeding under 35 U.S.C. 141 or section 21(a)(1) of the Trademark Act, 15 U.S.C. 1071(a)(1), in response to another party's appeal to the Court of Appeals for the Federal Circuit, the filing of a notice and reasons of appeal under 35 U.S.C. 142 or a notice of appeal under section 21(a)(2) of the Trademark Act, 15 U.S.C. 1071 (a)(2), and the filing of a statement under 42 U.S.C. 2182 or 42 U.S.C. 2457(c).

Paragraph (a)(2)(vi) of § 1.8 is proposed to be redesignated as paragraph (a)(2)(viii) and amended to refer to section 14(1) or 14 (2) of the Trademark Act, 15 U.S.C. 1064, to conform with the numbering of the Trademark Law Revision Act of 1988. Other sections of paragraph (a)(2) of § 1.8 are proposed to be amended to identify the types of correspondence which will not receive the benefit of a certificate of transfer.

Paragraph (b) of § 1.8 outlines procedures to be followed to document the timely filing of correspondence in accordance with § 1.8(a) where such correspondence is not received by the Office. The phrase "correspondence or fees" in § 1.8(b) is proposed to be changed to "correspondence" since "fees" falls within the generic definition of "correspondence". One of the requirements of § 1.8(b) is that the party forwarding the correspondence or fee include a declaration, under §§ 1.68 or 2.20 of this chapter, attesting to the timely transfer. In order to be consistent with other sections in Parts 1 and 2 of this chapter, the practice under § 1.8(b) is proposed to be amended to permit a practitioner, as defined in § 10.1(r), to submit a statement rather than an oath or declaration under §§ 1.68 or 2.20 of this chapter.

New paragraph (c) of § 1.8 is proposed to be added to explicitly provide for additional evidence relating to the transfer of correspondence in accordance with paragraph (a) of this section. The Office may invoke this requirement where it is deemed appropriate to establish an actual date of mailing or transmission. See, e.g., *In re Klein*, 6 USPQ2d 1547 (Comm'r Pat. 1987), *aff'd sub nom. Klein v. Peterson*, 696 F. Supp. 695, 8 USPQ2d 1434 (D.D.C. 1988), *aff'd* 866 F.2d 412, 9 USPQ2d 1558 (Fed. Cir.) *cert. denied*, 490 U.S. 1091 (1989).

(5) Time for appeal or civil action (§ 1.304)

In section 1.304, paragraphs (a) and (c) are proposed to be amended to delete a statement that use of the certificate procedure under § 1.8 is prohibited so as to be consistent with proposed changes to § 1.8. It is also proposed to clarify a cross-reference to § 1.658 in paragraph (a).

(6) Submission of maintenance fees (§ 1.366)

Section 1.366(b) is proposed to be amended by deleting the words "of mailing" due to the proposed new title for § 1.8.

(7) Filing date of application for extension of patent term (§ 1.741)

Section 1.741(a) is proposed to be amended to refer to the proposed new title for the certificate procedure under § 1.8.

(8) Signature and certificate of practitioner (§ 10.18)

Section 10.18 is proposed to be modified to clarify signature requirements for correspondence signed by practitioners. The reference to § 1.4 of this chapter would make it apparent that copies, including photocopies or facsimile transmissions, of correspondence signed by practitioners will be accepted under appropriate circumstances.

(9) Misconduct (§ 10.23(c))

Section 10.23(c) is proposed to be amended to refer to the proposed new title for the certificate procedure under § 1.8 of this chapter.

Other Considerations

The proposed rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these proposed changes is to incorporate existing Office policy into the regulations, permit the filing of certain correspondence without an original signature and permit the filing of certain correspondence by facsimile transmission.

The Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individuals, industries, Federal, state or local government agencies, or geographic regions because most of the proposed changes reduce procedural burdens. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These proposed rule changes contain collection-of-information requirements subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, which have previously been approved by the Office of Management and Budget under Control Nos. 0651-0009 and 0651-0011.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements.

37 CFR Part 10

Administrative practice and procedure, Conflicts of interest, Courts, Inventions and patents, Lawyers.

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. 6, the Office proposes to amend 37 CFR Parts 1 and 10 as follows, wherein deletions are indicated by brackets ([]) and additions by arrows (▶▶▶▶▶):

Part 1 - Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:
Authority: 35 U.S.C. 6, unless otherwise noted.

2. In Section 1.4, the title is proposed to be revised and paragraphs (d)-(f) are proposed to be added to read as follows:

§ 1.4 Nature of correspondence ▶▶ and signature requirements◀◀

►(d) Each piece of correspondence prepared to be filed in a patent or trademark application, reexamination proceeding, patent file or trademark registration file, which requires a person's signature, must be personally signed in permanent ink by that person. The personally signed correspondence containing the original, handwritten signature, or a copy, such as a photocopy or facsimile transmission (§ 1.6(d)), of the personally signed correspondence may be filed in the Patent and Trademark Office, except as provided in paragraphs (e) and (f) of this section. If the personally signed correspondence is filed, the color of ink used for the signature should be different from the printing on the paper. In the event that a copy of the personally signed correspondence is filed, the personally signed correspondence should be retained as evidence of authenticity. If a question of authenticity arises, the Patent and Trademark Office may require submission of the personally signed correspondence. The phrase "personally signed" as used in this section means an original, handwritten signature.

(e) Correspondence requiring a signature and which relates to patent interference proceedings, enrollment and disciplinary investigations, disciplinary proceedings or international patent applications must be submitted with a personally signed, permanent ink signature.

(f) When a certified document must be filed, a copy, including a photocopy or facsimile transmission, of the certification is not acceptable. ◀

3. Section 1.5(a) is proposed to be revised to read as follows:

§ 1.5 Identification of application, patent or registration.

(a) No correspondence relating to an application should be filed prior to when notification of the application number is received from the Patent and Trademark Office. When a letter directed to the Patent and Trademark Office concerns a previously filed application for a patent, it must identify on the top page in a conspicuous location, the application number (consisting of the series code and the serial number, e.g., 07/123,456), or the serial number and filing date assigned to that application by the Patent and Trademark Office, or the international application number of the international application. Any correspondence not containing such identification will be returned to the sender where a return address is available. The returned correspondence will be accompanied with a cover letter which will indicate to the sender that if the returned correspondence is resubmitted to the Patent and Trademark Office within two weeks of the mail date on the cover letter, the original date of receipt of the correspondence will be considered by the Patent and Trademark Office as the date of receipt of the correspondence. Applicants may use either the [certificate of mailing] ►Certificate of Transfer◀ procedure under § 1.8 or the Express Mail procedure under § 1.10 for resubmissions of returned correspondence if they desire to have the benefit of the date of deposit on the United States Postal Service. If the returned correspondence is not resubmitted within the two-week period, the date of receipt of resubmission will be considered to be the date of receipt of the correspondence. The two-week period to resubmit the returned correspondence will not be extended. If for some reason returned correspondence is resubmitted with proper identification later than two weeks after the return mailing by the Patent and Trademark Office, the resubmitted correspondence will be accepted but given its date of receipt. In addition to the application number, all letters directed to the Patent and Trademark Office concerning applications for patent should also state "PATENT APPLICATION," the name of the applicant, the title of the invention, the date of filing the same, and if known, the group art unit or other unit within the Patent and Trademark Office responsible for considering the letter and the name of the examiner or other person to which it has been assigned.

4. In section 1.6, the title is proposed to be revised, each paragraph is proposed to be defined by a separate heading, paragraphs (a)-(c) are proposed to be revised, paragraph (d) is proposed to be redesignated as paragraph (e) and revised and new paragraph (d) is proposed to be added to read as follows:

§ 1.6 Receipt of [letters and papers] ►correspondence◀

(a) ►Date of receipt and Express Mail date of deposit.

Correspondence◀ [Letter and other papers] received in the Patent and Trademark Office [are] is◀ stamped with the date of receipt except where such [letters and papers are] ►correspondence is◀ filed in accordance with § 1.10 ►or transmitted by facsimile in accordance with paragraph (d) of this section. No correspondence is received in the Patent and Trademark Office on Saturdays, Sundays or Federal holidays within the District of Columbia. Correspondence◀ [Any such letters and papers] filed in accordance with § 1.10 will be stamped with the date of deposit as "Express Mail" with the United States Postal Service unless the date of deposit is a Saturday, Sunday or Federal holiday within the District of Columbia in which case the date stamped will be the next succeeding day which is not a Saturday, Sunday or Federal holiday within the District of Columbia. [No papers are received in the Patent and Trademark Office on Saturdays, Sundays, or Federal holiday within the District of Columbia.] ►Correspondence transmitted by facsimile to the Patent and Trademark Office on a Saturday, Sunday or Federal holiday within the District of Columbia will be stamped with the next succeeding day which is not a Saturday, Sunday or Federal holiday within the District of Columbia, as the date of receipt.◀

(b) ►Patent and Trademark Office Post Office pouch.◀

Mail placed in the Patent and Trademark Office pouch up to midnight on [weekdays, excepting] ►any day, except◀ Saturdays, Sundays◀ and◀ Federal◀ [federal] holidays◀ within the District of Columbia◀, by the post office at Washington, D.C., serving the Patent and Trademark Office, is considered as having been received in the Patent and Trademark Office on the day it was placed in the pouch ►by the U.S. Postal Service◀.

(c) ►Correspondence delivered by hand.◀

In addition to being mailed, ►, correspondence may be◀ [or] delivered by hand during [office] hours ►the Office is open to receive correspondence◀ [, letters and other papers may be deposited up to midnight in a box provided at the guard's desk at the lobby of building 3 of the Patent and Trademark Office at Crystal Plaza, Arlington, Virginia and at the main entrance (14th Street) of the Department of Commerce Building, Washington, D.C., on weekdays except Saturdays and Federal holidays, and all papers deposited therein are considered as received in the Patent and Trademark Office on the day of deposit].

(d) ►Facsimile transmission.

Except in the cases enumerated below, correspondence, including authorizations to charge a deposit account, may be transmitted by facsimile. The filing date accorded to the correspondence will be the date on which the complete transmission is received in the Patent and Trademark Office, unless that date is a Saturday, Sunday, or Federal holiday within the District of Columbia. See § 1.6(a). To facilitate proper processing, each transmission session should be limited to correspondence to be filed in a single national application or other proceeding before the Patent and Trademark Office. The application number of a patent or trademark application, the control number of a reexamination proceeding, the patent number of a patent, or the registration number of a trademark should be entered as a part of the sender's identification on a facsimile cover sheet. Facsimile transmissions are not permitted and if submitted, may be disposed of, in the following situations:

- (1) Correspondence which must be filed with a personally signed permanent ink signature as specified in § 1.4(e);
- (2) Certified documents as specified in § 1.4(f);
- (3) Correspondence which cannot receive the benefit of the certificate of transfer as specified in § 1.8(a)(2)(i)-(xi);
- (4) Drawings submitted under §§ 1.81, 1.83-1.85, 1.152, 1.165 or 1.174;
- (5) A request for reexamination under § 1.510;
- (6) Correspondence to be filed in a patent application subject to a secrecy order under §§ 5.1-5.8 of this chapter and directly related to the secrecy order content of the application;
- (7) Requests for cancellation or amendment of a registration under section 7(e) of the Trademark Act, 15 U.S.C. 1057(e); and

certificates of registration surrendered for cancellation or amendment under section 7(e) of the Trademark Act, 15 U.S.C. 1057(e);

(8) Correspondence to be filed with the Trademark Trial and Appeal Board, except the notice of ex parte appeal.

(e) Interruptions in the U.S. Postal Service.◀

If interruptions or emergencies in the United States Postal Service which have been so designated by the Commissioner occur, the Patent and Trademark Office will consider as filed on a particular date in the Office any [paper or fee] ▶correspondence◀ which is:

(1) Promptly filed after the ending of the designated interruption or emergency; and

(2) Accompanied by a statement indicating that such [paper or fee] ▶correspondence◀ would have been filed on that particular date if it were not for the designated interruption or emergency in the United States Postal Service. Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

5. Section 1.8 is proposed to be amended by revising the title and paragraphs (a) and (b) and by adding new paragraph (c) to read as follows:

§ 1.8 Certificate of [mailing] ▶transfer◀.

(a) Except in the cases enumerated below, [papers and fees] ▶correspondence◀ required to be filed in the Patent and Trademark Office within a set period of time will be considered as being timely filed if:

(1) [They are] ▶it is transferred prior to expiration of the set period of time by being:

(i) deposited with the U.S. Postal Service with sufficient postage as first class mail◀ addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231 [, and deposited with the U.S. Postal Service with sufficient postage as first class mail] ▶; and

(ii) transmitted by facsimile as set forth in § 1.6(d) to the Patent and Trademark Office◀ [prior to expiration of the set period:]; and

(2) [They] ▶It◀ also [include] ▶includes◀ a certificate for each [paper or fee] ▶piece of correspondence◀ stating the date of [deposit] ▶transfer◀. The person signing the certificate should have reasonable basis to expect that the correspondence would be [mailed] ▶transferred◀ on or before the date indicated. The actual date of receipt of the [paper or fee] ▶correspondence◀ will be used for all other purposes. This procedure does not apply to ▶, and the benefit of the date of transfer on the certificate will not be extended to,◀ the following:

▶Relative to Patents◀

(i) The filing of a national patent application specification and drawing or other [papers] ▶correspondence◀ for the purpose of obtaining an application filing date;

[(ii) The filing of trademark applications;]

▶(ii) The filing of correspondence in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail";◀

(iii) the filing of agreements between parties to an interference under 35 U.S.C. 135(c);

▶(iv) the filing of international applications for patent and all correspondence in international applications filed under chapter I and chapter II including the filing of documents and fees for entry in to the national stage, see § 1.491;

Relative to Trademarks

(v) The filing of trademark applications;◀

[(iv)▶(vi)◀ The filing of an affidavit showing that a mark is still in use or containing an excuse for nonuse under section 8 (a) or (b) or section 12(c) of the Trademark Act, 15 U.S.C. 1058(a), 1058(b), 1062(c);

[(v)▶(vii)◀ The filing of an application for renewal of a [mark] registration under section 9 of the Trademark Act, 15 U.S.C. 1059;

[(vi)▶(viii)◀ The filing of a petition to cancel a registration of a mark under section 14 [(a)▶, subsection (1)◀ or

[(b)▶(2)◀ of the Trademark Act, 15 U.S.C. 1064 [(a), 1064(b)];

[(vii) The filing of an affidavit under section 15, subsection (3) of the Trademark Act, 15 U.S.C. 1065;

(viii) The filing of a notice of election to proceed by civil action in an inter partes proceeding under 35 U.S.C. 141 or section 21(a)(1) of the Trademark Act, 15 U.S.C. 1071(a)(1), in response to another party's appeal to the Court of Appeals for the Federal Circuit;

(ix) The filing of a notice and reasons of appeal under 35 U.S.C. 142 or a notice of appeal under section 21(a)(2) of the Trademark Act, 15 U.S.C. 1071(a)(2);

(x) The filing of a statement under 42 U.S.C. 2182 or 42 U.S.C. 2457(c);

(xi) The filing of international applications for patent and all papers and fees relating thereto;

(xii) The filing of a paper in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail"; and

(xiii) Papers filed in connection with a disciplinary proceeding under Part 10 of this subchapter.

(xiv) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of a statement of use under § 2.88 (15 U.S.C. 1051(d)).

(xv) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of a request under § 2.89 (15 U.S.C. 1051(d)), for an extension of time to file a statement of use under § 2.88 (15 U.S.C. 1051(d)).

(xvi) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of an amendment to allege use in commerce under § 2.76 (15 U.S.C. 1051(c)).]

▶(ix) In an application under section 1(b) of the Trademark Act, 15 U.S.C. 1051(b), the filing of an amendment to allege use in commerce under section 1(c) of the Trademark Act, 15 U.S.C. 1051(c); or the filing of a statement of use under section 1(d)(1) of the Trademark Act, 15 U.S.C. 1051(d)(1);

(x) In an application under section 1(b) of the Trademark Act, 15 U.S.C. 1051(b), the filing of a request under section 1(d)(2) of the Trademark Act, 15 U.S.C. 1051(d)(2), for an extension of time to file a statement of use under section 1(d)(1) of the Trademark Act, 15 U.S.C. 1051(d)(1); and

Relative to Disciplinary Proceedings

(xi) Correspondence filed in connection with a disciplinary proceeding under Part 10 of this subchapter.◀

(b) In the event that correspondence [or fees are] ▶is considered◀ timely filed ▶by being transferred◀ in accordance with paragraph (a) of this section, but not received in the Patent and Trademark Office, and the application is held to be abandoned or the proceeding dismissed, terminated, or decided with prejudice, the correspondence [or fee] will be considered timely if the party who forwarded such correspondence [or fee]:

(1) informs the Office of the previous [mailing] ▶transfer◀ of the correspondence [or fee] promptly after becoming aware [of] ▶that◀ the Office [action] ▶has no evidence of receipt of the correspondence◀;

(2) supplies an additional copy of the previously [mailed] ▶transferred◀ correspondence [or fee] and certificate, and

(3) includes a [declaration under § 1.68 or § 2.20] ▶statement◀ which attests on a personal knowledge basis or to the satisfaction of the Commissioner to the previous timely [mailing] ▶transfer. Such statement must be a verified statement if made by a person other than a practitioner as defined in § 10.1(r) of this chapter. If the transfer was by facsimile transmission, a copy of the sending unit's report confirming transmission may be used to support this statement.

(c) The Office may require additional evidence to determine if the correspondence was timely filed.◀

6. Section 1.304, paragraphs (a) and (c), are proposed to be revised as follows:

§ 1.304 Time for appeal or civil action.

(a) The time for filing the notice of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is two months from the date of the decision of the Board of Patent Appeals and Interferences. If a request for

reconsideration or modification of the decision is filed within the time period provided under § 1.197(b) or § 1.658 (b), the time for filing an appeal or commencing a civil action shall expire two months after action on the request. In interferences, the time for filing a cross-appeal or cross-action expires:

(1) 14 days after service of the notice of appeal or the summons and complaint or

(2) two months after the date of decision of the Board of Patent Appeal and Interferences, whichever is later. The time periods set forth in this section are not subject to the provisions of §§ 1.136, 1.550(c) or § 1.645(a) or (b). The Commissioner may extend the time for filing an appeal or commencing a civil action

[(3)] for good cause shown if requested in writing before the expiration of the period for filing an appeal or commencing a civil action, or

[(4)] upon written request after the expiration of the period for filing an appeal or commencing a civil action upon a showing that the failure to act was the result of excusable neglect. [The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross-appeal. See § 1.8(a)(2)(ix).]

(c) If a defeated party to an interference has taken an appeal to the U.S. Court of Appeals for the Federal Circuit and an adverse party has filed notice under 35 U.S.C. 141 electing to have all further proceedings conducted under 35 U.S.C. 146 (§ 1.303(C)), the time for filing a civil action thereafter is specified in 35 U.S.C. 141. The time for filing a cross-action expires 14 days after service of the summons and complaint. [The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross appeal. See § 1.8(a)(2)(viii).]

7. Section 1.366(b) is proposed to be revised to read as follows:

§ 1.366 Submission of maintenance fees.

(b) A maintenance fee and any necessary surcharge submitted for a patent must be submitted in the amount due on the date the maintenance fee and any necessary surcharge are paid and may be paid in the manner set forth in § 1.23 or by an authorization to charge a deposit account established pursuant to § 1.25. Payment of a maintenance fee and any necessary surcharge or the authorization to charge a deposit account must be submitted within the periods set forth in § 1.362(d), (e) or (f). Any payment or authorization of maintenance fees and surcharges filed at any other time will not be accepted and will not serve as a payment of the maintenance fee except insofar as a delayed payment of the maintenance fee is accepted by the Commissioner in an expired patent pursuant to a petition filed under § 1.378. Any authorization to charge a deposit account must authorize the immediate charging of the maintenance fee and any necessary surcharge to the deposit account. Payment of less than the required amount, payment in a manner other than that set forth in § 1.23, or the filing of an authorization to charge a deposit account having insufficient funds will not constitute payment of a maintenance fee or surcharge on a patent. The certificate [of mailing] procedures of either § 1.8 or § 1.10 may be utilized in paying maintenance fees and any necessary surcharges.

8. Section 1.741, paragraph (a), is proposed to be revised to read as follows:

§ 1.741 Filing date of application

(a) The filing date of an application for extension of patent term is the date on which a complete application is received in the Patent and Trademark Office or filed pursuant to the "Certificate of [Mailing] Transfer" provisions of 37 CFR 1.8 or "Express Mail" provisions of 37 CFR 1.10

Part 10-Representation of others before the Patent and Trademark Office

9. The authority citation for 37 CFR Part 10 would continue to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

10. Section 10.18, is proposed to be revised to read as follows:

§ 10.18 Signature and certificate of practitioner.

(a) [Every paper] Except where a copy, including a photocopy or facsimile transmission, of a personally signed piece of correspondence is permitted to be filed pursuant to § 1.4 of this chapter, every piece of correspondence filed by a practitioner on behalf of himself or herself or representing an applicant or a party to a proceeding in the Patent and Trademark Office must bear the signature of, and be personally signed by, such practitioner except for correspondence [those papers] which [are] is required to be signed by the applicant or party. The signature of a practitioner [to] on correspondence [a paper] filed by him or her, regardless of whether the correspondence has an original, handwritten signature or is a copy, including a photocopy or facsimile transmission, of the personally signed correspondence, constitutes a certificate that:

(1) The [paper] correspondence has been read by the practitioner;

(2) The [paper's] filing of the correspondence is authorized;

(3) To the best of his or her knowledge, information, and belief, there is good ground to support the [paper] correspondence, including any allegations of improper conduct contained or alleged therein; and

(4) It is not interposed for delay.

(b) Any practitioner knowingly violating the provisions of this section is subject to disciplinary action. See § 10.23(c)(15).

11. Section 10.23, paragraph (c)(9), is proposed to be revised to read as follows:

§ 10.23 Misconduct

(c) *

(9) Knowingly misusing a certificate of [mailing] transfer under § 1.8 of this [subchapter] chapter or a certificate of "Express Mail" under § 1.10 of this [subchapter] chapter.

Aug. 4, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

[1142 OG 8]

(71) Information in Oath/Declaration Necessary to Identify the Specification in Accordance with 37 CFR 1.63

Section 1.63 of 37 CFR requires that an oath or declaration "identify the specification to which it is directed." Since filing dates are now granted on applications with the oath or declaration being filed later with a surcharge, the question has arisen as to what information must be supplied in the oath or declaration to identify the specification to which it is directed and to comply with the rule.

The declaration form suggested by the Office includes spaces for filling in the names of the inventors, title of invention, application serial number, filing date, foreign priority application information and United States priority application infor-

mation. While this information should be provided, it is not essential that all of these spaces be filled in order to adequately identify the specification in compliance with 37 CFR 1.63.

The following combinations of information supplied in an oath or declaration are acceptable as minimums for identifying a specification:

- (1) name of inventor and application serial number;
- (2) name of inventor, attorney docket number which was on the application as filed, and filing date of the application;
- (3) name of inventor, title of invention and filing date;
- (4) name of inventor, title of invention and reference to a specification which is attached to the oath or declaration at the time of execution and filed with the oath or declaration;
- (5) name of inventor, title of invention and a statement by a registered attorney or agent that the application filed in the PTO is the application which the inventor executed by signing the oath or declaration.

If the oath or declaration is filed with an "attached" specification as indicated in item (4) above, it must be accompanied by a statement that the "attached" specification is a copy of the specification and any amendments thereto which were filed in the Office in order to obtain a filing date for the application. Such statement must be a verified statement if made by a person not registered to practice before the Office.

Oaths or declarations which do not meet the requirements set forth above will not be accepted as complying with 37 CFR 1.63 for completing an application. Any variance from the above guidelines will only be considered upon the filing of a petition for waiver of the rules under 37 CFR 1.183 accompanied by a petition fee (37 CFR 1.17(h)). Supplemental oaths or declarations in accordance with 37 CFR 1.67 will be required in applications in which the oaths or declarations are not completely filled in but contain sufficient information to identify the specifications to which they apply as detailed above.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

Sept. 12, 1983.

[1035 OG 3]

(72) Graphical Illustrations in the Specification

For convenience many applicants have been including graphs or other types of graphical illustrations in the text portion of the specification. These illustrations do not come within the purview of 37 C.F.R. 1.58 which permits tables and chemical and mathematical formulas in the specification in lieu of formal drawings. Frequently, these graphical illustrations do not have satisfactory reproduction characteristics. Moreover, these reproductions are generally less than satisfactory due to the fact that the illustrations are usually reduced in size in order to fit a column of the printed patent page. Accordingly, effective immediately, graphs and graphical type illustrations in the specification will be objected to under 37 C.F.R. 1.58(a) and drawings pursuant to 37 C.F.R. 1.81 will be required.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

Jan. 12, 1978.

[967 O.G. 2]

(73) Inclusion of Copyright or Mask Work Notices in Patents

Under current intellectual property laws, it is possible to obtain copyright protection or mask work protection as well as patent protection for certain designs and technologies. On occasion, an author/inventor considers it desirable to include a notice of copyright or mask work in a design or utility patent

which discloses material on which copyright or mask work protection has previously been established.

The inclusion of a copyright or mask work notice in a patent that discloses material on which copyright or mask work protection has previously been established, would serve to publicize and thereby protect the various intellectual property rights of the author/inventor. Further, this publication would tend to protect the public by militating against an unintentional encroachment into these rights. The presence of an unrestricted copyright or mask work notice in a patent could have an inhibiting effect on public dissemination of the patent disclosure to the extent it discourages the facsimile reproduction of the patent. This possible effect would be contrary to the mission of the Patent and Trademark Office to disseminate knowledge and information publicly by way of patent issuance, publication, and distribution. To avoid this effect, it is considered necessary to include an appropriate authorization of the author/inventor with any copyright or mask work notice appearing in a patent.

In light of these considerations, the Patent and Trademark Office will permit the inclusion of a copyright or mask work notice in a design or utility patent application, and thereby any patent issuing therefrom, which discloses material on which copyright or mask work protection has previously been established, under the following conditions:

- (1) The copyright or mask work notice must be placed adjacent to the copyright or mask work material. Therefore, the notice may appear at any appropriate portion of the patent application disclosure, including the drawing. However, if appearing on the drawing, the notice must be limited in print size from inch to inch and must be placed within the "sight" of the drawing immediately below the figure representing the copyright or mask work material. If placed on a drawing in conformance with these provisions, the notice will not be objected to as extraneous matter under 37 CFR 1.84.
- (2) The content of the notice must be limited to only those elements required by law. For example, "©1983 John Doe" (17 U.S.C. 401) and "*M* John Doe" (17 U.S.C. 909) would be properly limited, and under current statutes, legally sufficient notices of copyright and mask work respectively.
- (3) Inclusion of a copyright or mask work notice will be permitted only if the following authorization is included at the beginning (preferably as the first paragraph) of the specification to be printed for the patent:
A portion of the disclosure of this patent document contains material which is subject to copyright or mask work. The copyright or mask work owner has no objection to the facsimile reproduction by anyone of the patent document or the patent disclosure, as it appears in the Patent and Trademark Office patent file or records, but otherwise reserves all copyright or mask work rights whatsoever.
- (4) Inclusion of a copyright or mask work notice after a Notice of Allowance has been mailed will be permitted only if the criteria of 37 CFR 1.312 have been satisfied.

The inclusion of a copyright or mask work notice in a design or utility patent application, and thereby any patent issuing therefrom, under the conditions set forth above will serve to protect the rights of the author/inventor, as well as the public, and will serve to promote the mission and goals of the Patent and Trademark Office. Therefore, the inclusion of a copyright or mask work notice which complies with these conditions will be permitted. However, any departure from these conditions may result in a refusal to permit the desired inclusion. If the authorization required under condition (3) above does not include the specific language "(t)he [copyright or mask work] owner has no objection to the facsimile reproduction by anyone of the patent document or the patent disclosure, as it appears in the Patent and Trademark Office patent file or records, . . .", the notice will be objected to as improper by the examiner of the application. If the examiner maintains the objection upon re-

consideration, a petition may be filed in accordance with 37 CFR 1.181.

Mar. 20, 1987. **RENE D. TEGTMEYER,**
*Assistant Commissioner
for Patents.*

[1077 OG 22]

(74) **Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket Number 80108-8200]**

Miscellaneous Changes in Patent Practice

Agency: Patent and Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office is amending its regulations to (1) correct certain rules to conform to previous changes in other rules, (2) require all correspondence directed to the Patent and Trademark Office concerning a patent application to include the series code and serial number or serial number and filing date, (3) provide for the indication of copyright and mask work protection in patent applications, (4) require that any necessary corrections to drawings be made only by submission of new or replacement drawings, (5) provide in limited situations for the use of color drawings in utility patent applications, (6) prohibit the use of broken lines in design patent application drawings to show hidden planes and surfaces, and (7) provide for a refund of a portion of the preliminary examination fee where the Demand is withdrawn. The change pertaining to the drawings would remove any need for patent applicants or their representatives to borrow drawings filed in patent applications from the Office after the effective date of the rule change for purposes of making corrections.

Effective Date: Jan. 1, 1989. The non-return of drawings provision of § 1.85(b) will apply to drawings in patent applications filed after Jan. 1, 1989.

For Further Information Contact: Louis O. Maassel by telephone at (703) 557-3070 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplemental Information: Proposed rulemaking requesting comment was published on May 9, 1988 in the *Federal Register* at 53 FR 16522 - 16527 and on May 24, 1988 in the *Official Gazette* at 1090 O.G. 57 - 62.

An oral hearing was conducted on July 21, 1988 to receive comments.

Written comments were received from 5 patent law groups, 2 patent law firms and 6 individuals. One person also presented oral testimony.

No comments were received relating to the proposed amendment of §§ 1.4, 1.5(b), 1.53(d), 1.56, 1.81, 1.84(j) & (l), 1.152, 1.378, 1.421 and 1.480.

The comments received relating to amendments to particular sections and replies thereto are listed below.

Comments relating to § 1.5(a).

Comment:

Six comments indicated that they considered the punishment of returning papers with improper identification as too harsh a penalty, since such return could result in the necessity of paying extension of time fees or revival of an abandoned application.

Reply: The return of papers with improper identification is not intended to serve as punishment or a penalty, but as a solution to a major problem. In fact, most of the improperly identified papers are not ones for which a time period is running, e.g., priority papers, information disclosure statements, status inquiries, etc. The Patent and Trademark Office's (PTO) goal is to match papers with the appropriate application as quickly as possible. The practice of the PTO has been to attempt to match papers with the correct application by using the Patent Application Locating and Monitoring (PALM) System to conduct a search by applicant's name. Such a search is very slow and merely lists all application numbers under the name of the

inventor. These application numbers must then be individually checked to attempt to match any other identifying information found on the paper. If this process is unsuccessful, attempts are made to reach the sender by telephone. Telephone calls usually require further followup since the paper cannot usually be identified immediately. Frequently, the serial number is not even available to the sender since application-related papers are being sent to the PTO before notification of serial number has been received. For papers not successfully matched after these attempts, the process of using PALM and making telephone calls is repeated days and weeks later. Despite the considerable effort and resources applied to matching papers, there are still thousands of unmatched papers. Undoubtedly, many were followed up by status inquiries or complaint letters from the senders, subsequent PTO searches for missing papers, and resubmissions by senders, some with petitions or extension of time fees. This waste of resources by both the PTO and the applicants is a major concern. Since the goal is to match papers as quickly and efficiently as possible, and not to institute a harsh penalty, the final rule was modified. Papers which are not properly identified will be returned, but if they are resubmitted to the PTO within two weeks of the date they are returned by the PTO, the original date of receipt will be retained without the need for paying fees for extension of time or revival of an abandoned application. Where no return address is available, the papers will be retained for a reasonable period of time to await any followup correspondence. If no followup correspondence is received within a reasonable period of time, the papers will be destroyed.

Comment:

Three comments included the proposal that the filing date and serial number be accepted as meeting the requirements of § 1.5(a).

Reply:

This proposal has been adopted in the final rule.

Comment:

One comment proposed that implementation of the proposal be delayed for one year to provide sufficient time to allow applicants to adapt to the requirements.

Reply:

The requirements are believed to be quite simple and are already met by almost all papers filed in the PTO. Therefore, an extended period of time to adapt is not seen to be necessary or appropriate.

Comment:

Two comments suggested that a procedure be developed under which an applicant could resubmit a corrected return paper with fee in a timely manner, and receive the benefit of the date of the original submission as its filing date.

Reply:

The substance of this suggestion has been adopted in final § 1.5(a), but without the charge of a fee. The final rule provides resubmission of a returned paper with proper identification within two weeks of the PTO mailing date of the letter returning the paper to the sender to resubmit the paper and retain the benefit of the filing date of the original submission. If desired, the resubmission could be mailed under the certificate of mailing procedure of § 1.8 or the "Express Mail" procedure of § 1.10.

Comment:

Three comments suggested that a form or notice be sent, with a time limit set for return of appropriate identification with minimal fee or subcharge.

Reply:

The proposal would require the PTO to retain the unmatched papers in some kind of order, probably alphabetically by inventor name and or by receipt date, so that responses could be matched. A double matching of all papers would be necessary. The responses with the appropriate identification would have to be matched to the original papers submitted, then these would have to be matched with the applications. If responses with appropriate identification did not reference the fact that a notice had been sent, they may not be associated with the original, again resulting in more unmatched papers. Accordingly, the proposal was not adopted.

Comment:

One comment indicated that including the word "must" with respect to providing the serial number and series code is too severe a requirement.

Reply:

The current rules in 37 CFR 1.5 state such identification "should" be on application-related papers. This term has apparently been too permissive and has contributed to the problem. The use of "must" is believed to be sufficiently strong to aid in resolving the problem.

Comment:

One comment included the proposal that a wrong serial number be considered as a defective execution under 35 U.S.C. 26 which could be corrected without loss of filing date.

Reply:

The legislative history of 35 U.S.C. 26 is quite clear that the intent of the section was to remedy problems only in the execution of oaths and declarations.

Comment:

Two comments questioned the meaning of "series code."

Reply:

The series code is the two digit number preceding the serial number on the application filing receipt. A new series code is assigned each time a new series of six digit serial numbers is begun. The current series code is "07". It appears before the serial number, for example 07/123,456. An illustrative example is also included in the final rule.

Comment:

One comment included the proposal that a more appropriate name for the combination of series code and serial number would be "application number."

Reply:

This proposal has been adopted in the final rule.

Comment:

One comment raised the question as to whether correspondence relating to a patent application should contain both the heading "PATENT" as suggested in the helpful hints and "PATENT APPLICATION" as called for in 1.5(a).

Reply:

"PATENT APPLICATION" should be used on patent application correspondence. This should be placed in an obvious location on the top page.

Comment:

One comment noted that the return post card only contains the serial number and not the series code.

Reply:

The PTO plans to begin identifying an eight-digit application number on return post cards. The series code will be the first two digits, followed by a slant "/" and the six digit serial number. Although the series code has not been stamped along with the serial number on the return post card used by many applicants, the series code changes only once about every 7 or 8 years when a new set of serial numbers is begun with 000,001. Therefore, until the eight-digit application number is stamped on return post cards, the current series code "07" can be used along with the serial number currently stamped on the post card.

Comment:

Three comments suggested that the rules provide that a paper without proper identification be returned only if the PTO found it impossible to match the paper to a particular application file.

Reply:

Attempts to match improperly identified papers with a particular application file is very time consuming and experience has shown that the benefits of such time consuming effort are not worth the effort expended.

Comment:

One comment questioned the meaning of "such information" in the second sentence of § 1.5(a).

Reply:

"Such information" means the items referred to in the first sentence, namely, the series code and serial number, serial number and filing date, or international application number.

Comment:

One comment indicated that the PTO may not return a paper in a timely manner.

Reply:

Although no assurance can be given as to the prompt return of all improperly identified papers, such papers will be returned in most instances from the PTO Mail Room within one day of the opening of the envelopes containing the papers and discovery of incomplete identification. Also, the time for resubmission of a returned paper is calculated from the PTO mailing date so that no injury would result from a prompt resubmission.

Comment:

One comment indicated that if the filing receipt is delayed or lost, it would preclude timely status inquiries or cause delays in preliminary matters such as a request for a foreign filing license.

Reply:

A self-addressed return post card, with proper postage, can be used to obtain early notification of the application number.

Comments relating to § 1.53.**Comment:**

One comment pointed out inconsistent wording between proposed § 1.53 and the explanatory comments in the notice of proposed rulemaking.

Reply:

The apparent inconsistency has been corrected.

Comments relating to § 1.71 and § 1.84(o).**Comment:**

One comment raised a question whether the PTO should make a comment as to the legal sufficiency of a copyright notice mentioned in § 1.71 since the PTO does not administer the copyright law.

Reply:

An indication of what is considered to be legally sufficient copyright notice was included to assist applicants who may not be familiar with the copyright law.

Comments relating to § 1.84(a).**Comment:**

Five comments were received objecting to the prohibition of photolithographs as drawings.

Reply:

The final rule does not prohibit photolithographs as drawings.

Comments relating to § 1.84(b).**Comment:**

Three comments were received relating to drawing sheet sizes. One comment favored using only the A4 size and the other two comments favored using letter size (8 1/2 by 11 inches).

Reply:

Since applicants have three different size sheets which may be used as they choose, no need is currently seen to make a single size mandatory. The use of letter size drawing sheets requires further study and if acceptable, will be proposed for public comment in the future.

Comments relating to § 1.84(i).**Comment:**

One comment included the suggestion that clarifying language changes be made in § 1.84(i).

Reply:

The comment relating to the wording of the last sentence of § 1.84(i) has been adopted.

Comments relating to § 1.84(n).**Comment:**

One comment supported the change to § 1.84(n).

Comments relating to § 1.84(p).**Comment:**

Two comments relating to color drawings in utility applications were received. One comment proposed that the applicant be permitted to file color drawings at his or her choice but that the patent be printed in black and white only with copies of the color drawings being available at extra cost. The other comment related to the patent examiner having the discretion to accept color drawings rather than requiring a petition to be filed.

Reply:

In the past only a very few applications have shown a need to include drawings in color. Until more experience is gained, it is considered best to allow color drawings in limited situations and approval to remain in a central location by petition.

Comment:

One comment stated that it is not proper to charge a higher fee where color drawings are required.

Reply:

Color drawings are considered to be beyond the normal requirements set forth in the rules and therefore require waiver of the rules for acceptance.

Comments relating to § 1.85(a).

Comment:

One comment was received suggesting that "may" be changed to "shall" in § 1.85(a).

Reply:

The PTO is currently very liberal in accepting informal drawings and no need is seen for making the proposed change.

Comments relating to § 1.85(b) & (c).

Comment:

One comment proposed allowing drawings filed in the PTO to be withdrawn to make minor changes.

Reply:

The problems relating to charging out drawings would remain if drawings are allowed to be removed from the PTO for any reason. A major purpose of the rule change is to remove the necessity to have a drawing charge-out system in the PTO in the future.

Comment:

One comment asked whether § 1.85(b) would be construed to deny access to a PTO drawing for making a copy.

Reply:

Applicants and their representatives will continue to have access to their files and obtain copies of drawings.

Comment:

One comment proposed adding another sentence to § 1.85(c) to clarify that an extension of time is available under § 1.136 for filing of formal drawings but not for payment of the issue fee.

Reply:

This proposal has been adopted with somewhat different wording.

Comment:

One comment indicated that the three month period for submitting corrections should be measured from the "notice of allowability" rather than the "notice of allowance."

Reply:

This proposal has been adopted in the final rule.

Discussion of specific rules

Section 1.4, as amended, corrects the listing of rules in paragraph (a)(2).

Section 1.5, as amended, provides that all correspondence related to a U.S. national patent application already filed with the Patent and Trademark Office must include the identification of the application number which comprises both the series code and the serial number assigned to that application by the Patent and Trademark Office, (e.g., 07/123,456) or the serial number and filing date. Any correspondence not containing such identification will be returned to the sender where a return address is available. The final rule has been revised to provide that if the correspondence is remailed to the PTO within two weeks of the mailing date of the PTO's cover letter returning the correspondence, the PTO will grant the benefit of the original date of receipt of the returned correspondence. The two-week period will not be extended under § 1.136. Applicants may use either § 1.8 or § 1.10 mailing procedures for resubmissions of returned correspondence. No correspondence relating to an application should be filed prior to when notification of the application number is received from the PTO. If for some reason returned correspondence is resubmitted later than two weeks after the return mailing by the PTO, the resubmitted correspondence will be accepted but given its date of receipt with proper identification. If the original date of receipt is desired, applicants may petition under § 1.183 for waiver of the rules. Given there are over 30,000 documents to be routed each day, this requirement greatly facilitates the matching of correspondence received with the relevant patent application file. Without proper number identification, documents are either significantly delayed during processing or are never matched with the relevant application file. The amendments to paragraph (b) draw attention to the different requirements for identification in correspondence relating to the payment of maintenance fees.

Section 1.53(c) and (d), as amended, state that a copy of the "Notice of Incomplete Application" or "Notice to File Missing Part" form sent to the applicant by the Office should accompany any response submitted to the Office in order for the response to be accepted. This will prevent the inadvertent assignment of

a new application number to correspondence sent in response to such notices or the misrouting of the correspondence.

Section 1.56(e), as amended, corrects the reference to the "Board of Appeals" to read "Board of Patent Appeals and Interferences."

Section 1.71, as amended, contains new paragraphs (d) and (e) relating to the inclusion of copyright and mask work notices in patent applications. The provisions proposed are similar to those set forth in the *Official Gazette* notice dated Mar. 20, 1987 titled "Inclusion of Copyright or Mask Work Notice in Patents" appearing on Apr. 21, 1987 at 1077 O.G. 22. Under current intellectual property laws, it is possible to obtain copyright protection or mask work protection as well as patent protection for certain designs and technologies. On occasion, an author or inventor considers it desirable to include a notice of copyright or mask work in a design or utility patent which discloses material on which copyright or mask work protection previously has been established.

The inclusion of a copyright or mask work notice in a patent that discloses material on which copyright or mask work protection previously has been established, will serve to publicize and thereby protect the various intellectual property rights of the author or inventor. Further, this publication would tend to protect the public by militating against an unintentional encroachment of the rights. The presence of an unrestricted copyright or mask work notice in a patent could have an inhibiting effect on public dissemination of the patent disclosure to the extent it discourages the facsimile reproduction of the patent. The possible effect would be contrary to the mission of the Patent and Trademark Office to disseminate knowledge and information publicly by way of patent issuance, publication, and distribution. To avoid this effect, it is considered necessary to include an appropriate authorization by the author or inventor for copying of the patent itself with any copyright or mask work notice appearing in the patent. Inclusion of a copyright or mask work notice after a Notice of Allowance has been mailed will be permitted only if the criteria of 37 CFR 1.312 have been fulfilled. If the authorization required by amended § 1.71(e) is not included, the notice will be objected to as improper by the examiner. If the examiner maintains the objection upon reconsideration, further review must be by way of a petition filed in accordance with 37 CFR 1.181.

Section 1.81, as amended, clarifies that high quality copies of drawings should be submitted in patent applications. Since corrections are the responsibility of the applicant, the original drawing(s) should be retained by the applicant for future correction, if necessary.

Section 1.84(a), as amended, eliminates reference to two-ply or three-ply bristol board. Amended paragraph (a) also adds a reference to paragraph 1.84(p) relating to color drawings in utility patent applications.

Only one copy of the drawing is required or desired. The Office had attempted to encourage the submission of three copies, but compliance was very low. It was determined that it is more efficient for the Office to rely on consistency and only one copy. Accordingly, hereafter only one copy of the drawings should be submitted.

The Patent and Trademark Office will no longer release to applicants, bonded drafting companies, or others, drawings from patent applications filed after the effective date of these rule changes. See amended § 1.85(b). If corrections to the drawings are necessary, new corrected drawings must be prepared by the applicant and filed in the Patent and Trademark Office. Therefore, the applicant, attorney or agent should retain the original drawing so that a corrected original drawing or corrected copy may be later submitted if necessary.

The Office will continue to allow applicants to borrow drawings for correction which have been filed prior to the effective date of these rule changes.

Section 1.84(b), as amended, provides for applicants using drawing sheets which are 8 1/2 by 13 inches in size.

Section 1.84(i), as amended, contains grammatical corrections in the test of the rules and clarifies Office drawing requirements as to exploded views, enlarged views and views which require several sheets.

Section 1.84(j), as amended, clarifies how views should be arranged when they are placed sideways on the drawing sheet.

Section 1.84(l) as amended, indicates that drawings may be identified by lightly writing identifying information in the top margin on the drawings. For identification by application number, the Office prefers that the information be placed on the front of the drawing. When the applicant forwards drawings separate from the original application papers, a cover letter identifying the application by application number should accompany the drawings. The application number should also be placed on drawings filed after the application number has been indicated in correspondence to the applicant, in accordance with § 1.84(l).

Section 1.84(n) is added and permits numbering of the drawing sheets. However, such numbering would not appear on the drawings of the printed patent.

Section 1.84(o) is added and provides for the indication of copyright or mask work protection notice on patent application drawings. This procedure is the same as that established by the *Official Gazette* notice dated Mar. 20, 1987 published on Apr. 21, 1987 at 1077 O.G. 22.

Section 1.84(p) is added and provides in the rules for the filing of color drawings in a very limited number of utility patent applications. An *Official Gazette* notice relating to this topic dated Aug. 6, 1986, titled "Use of Color Drawings in Utility Patents" was published on Sept. 15, 1987 at 1082 O.G. 25. In light of the substantial administrative and economic burden associated with printing a utility patent with color drawings, the letters patent and the patent copies which are printed at the issuance of the patent will be only in black and white. However, copies of the patent with the color drawings may be purchased separately from the Patent and Trademark Office upon special request and payment of the fee.

It is anticipated that color drawings will only be permitted when color drawings are the only practical method in a utility patent application in which to disclose the subject matter sought to be patented. In order to avoid issues of lack of description or enablement under 35 U.S.C. 112 or new matter under 35 U.S.C. 132, applicants are advised to file the desired color drawings as part of the original application papers. The petition should be directed to the attention of the Deputy Assistant Commissioner for Patents.

Section 1.85, as amended, indicates that drawings not complying with § 1.84 will be accepted in some instances for purposes of examination and that drawings which do comply with all the rules relating to drawings will be required later, and that no corrections will be permitted to drawings filed in the Patent and Trademark Office after the effective date of the rule change.

When corrected drawings are required to be submitted at the time of allowance, the applicant is required to submit *acceptable* drawings within three months from the mailing of the "Notice of Allowability." Within that three-month period, two weeks should be allowed for review of the drawings by the Drafting Branch. If the Office finds that further correction is necessary, the applicant must submit a new corrected drawing to the Office within the original three-month period to avoid the necessity of obtaining an extension of time and paying the extension fee. Therefore, the applicant should file corrected drawings as soon as possible following the receipt of the Notice of Allowability.

Section 85(b) provides that the Patent and Trademark Office will not release drawings filed in applications having a filing date after Jan. 1, 1989 for purposes of correction. Also, in order to give sufficient notice to applicants, allow most patent applications currently on file to be processed, and set a time at which the PTO need no longer provide a system for borrowing of any drawings, § 1.85(b) provides that after Jan. 1, 1991 no drawings may be borrowed from the PTO for the purpose of making drawing corrections.

Section 1.152, as amended, permits broken lines on drawings to show visible environmental structure but not hidden planes and surfaces in design patent application drawings.

Section 1.378, as amended, conforms with section 404 of Public Law 98-622 which states:

"(a) Notwithstanding section 41(c) of title 35, United States Code, as in effect before the enactment of Public Law 97-247 (96 Stat. 317), the Commissioner of Patents and Trademarks may accept after the six-month grace period referred to in such section 41(c), the payment of any maintenance fee due on any patent based on an application filed in the Patent and Trademark Office on or after Dec. 12, 1980, and

before Aug. 27, 1982, to the same extent as in the case of patents based on applications filed in the Patent and Trademark Office on or after Aug. 27, 1982."

The amended rule wording includes reference to maintenance fees due on patents based on applications filed in the Patent and Trademark Office on or after Dec. 12, 1980 and before Aug. 27, 1982.

Section 1.421(f), as amended, deletes reference to a cancelled PCT Rule and adds reference to the current PCT Rule provision.

Section 1.480(d), as amended, provides for a refund of a portion of the international preliminary examination fee where the applicant withdraws the demand before the examiner has begun the international preliminary examination. An amount equal to the transmittal fee would be retained by the Patent and Trademark Office to cover the administrative cost involved.

Environmental, Energy, and Other Considerations

The rule change does not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) because the rule change corrects some rules so that they correspond to earlier changes, relate to identification of applications on correspondence, allow greater flexibility in patent drawing content and handling, and provide for a refund where a proper demand for international preliminary examination has been filed but withdrawn later.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The rule change involves collection of information requirements subject to the Paperwork Reduction Act of 1980, 40 U.S.C. 3501 *et seq.*, and are cleared under OMB Control No. 0651-0011.

List of Subjects in 37 CFR Part 1.

Administrative practice and procedure, Authority delegations (Government agencies), Courts, Inventions and patents, Lawyers.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 41, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

37 CFR, Part 1, is amended as follows:

PART 1— RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

AUTHORITY: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.4 is amended by revising paragraph (a)(2) to read as follows:

§1.4 *Nature of correspondence.*

(a)

(2) Correspondence in and relating to a particular application or other proceeding in the Office. See particularly the rules relating to the filing, processing, or other proceedings of national applications in Subpart B, §§ 1.31 to 1.378; of international applications in Subpart C, §§ 1.401 to 1.499; of reexamination of patents in Subpart D, §§ 1.501 to 1.570; of interferences in Subpart E, §§ 1.601 to 1.690; of extension of patent term in Subpart F, §§ 1.710 to 1.785; and of trademark applications §§ 2.11 to 2.189.

* * * * *

3. Section 1.5 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1.5 Identification of application, patent or registration.

(a) No correspondence relating to an application should be filed prior to when notification of the application number is received from the Patent and Trademark Office. When a letter directed to the Patent and Trademark Office concerns a previously filed application for a patent, it must identify on the top page in a conspicuous location, the application number (consisting of the series code and the serial number, e.g., 07/123,456), or the serial number and filing date assigned to that application by the Patent and Trademark Office, or the international application number of the international application. Any correspondence not containing such identification will be returned to the sender where a return address is available. The returned correspondence will be accompanied with a cover letter which will indicate to the sender that if the returned correspondence is resubmitted to the Patent and Trademark Office within two weeks of the mail date on the cover letter, the original date of receipt of the correspondence will be considered by the Patent and Trademark Office as the date of receipt of the correspondence. Applicants may use either the certificate of mailing procedure under § 1.8 or the Express Mail procedure under § 1.10 for resubmissions of returned correspondence if they desire to have the benefit of the date of deposit in the United States Postal Service. If the returned correspondence is not resubmitted within the two-week period, the date of receipt of the resubmission will be considered to be the date of receipt of the correspondence. The two-week period to resubmit the returned correspondence will not be extended. If for some reason returned correspondence is resubmitted with proper identification later than two weeks after the return mailing by the Patent and Trademark Office, the resubmitted correspondence will be accepted but given its date of receipt. In addition to the application number, all letters directed to the Patent and Trademark Office concerning applications for patent should also state "PATENT APPLICATION," the name of the applicant, the title of the invention, the date of filing the same, and if known, the group art unit or other unit within the Patent and Trademark Office responsible for considering the letter and the name of the examiner or other person to which it has been assigned.

(b) When the letter concerns a patent other than for purposes of paying a maintenance fee, it should state the number and date of issue of the patent, the name of the patentee, and the title of the invention. For letters concerning payment of a maintenance fee in a patent, see the provisions of § 1.366(c).

* * * * *

4. Section 1.53 is amended by revising paragraphs (c) and (d) to read as follows:

§ 1.53 Serial number, filing date, and completion of application.

* * * * *

(c) If any application is filed without the specification or drawing required by paragraph (b) of this section, applicant will be so notified and given a time period within which to submit the omitted specification or drawing in order to obtain a filing date as of the date of filing of such submission. A copy of the "Notice of Incomplete Application" form notifying the applicant should accompany any response thereto submitted to the Office. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less a \$15.00 handling fee.

(d) If an application which has been accorded a filing date pursuant to paragraph (b) of this section does not include the appropriate filing fee or an oath or declaration by the applicant, applicant will be so notified, if a correspondence address has been provided and given a period of time within which to file the fee, oath, or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. A copy of the "Notice to File Missing Parts" formed mailed to applicant should accompany any response thereto submitted to the Office. If the required fee is not timely paid, or if the processing and retention fee set forth in § 1.21(l) is not paid within one year of the date of mailing of the notification required by this paragraph, the application will be disposed of. No copies will be provided or certified by the Office of an application which has been disposed of or in which neither the required basic filing fee nor the processing and retention fee has been paid. The notification pursuant to this paragraph may be made simultaneously with any notification pursuant to paragraph (c) of this section. If no correspondence address is included in the application, applicant has two months from the filing date to file the basic filing fee, oath or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application; or, if no basic filing fee has been paid, one year from the filing date to pay the processing and retention fee set forth in § 1.21(l) to prevent disposal of the application.

5. Section 1.56 is amended by revising paragraph (e) to read as follows:

§ 1.56 Duty of disclosure; fraud; striking or rejection of applications.

* * * * *

(e) The examination of an application for compliance with paragraph (d) of this section will normally be delayed until such time as (1) all other matters are resolved, or (2) appellant's reply brief pursuant to § 1.193(b) has been received and the application is otherwise prepared for consideration by the Board of Patent Appeals and Interferences, at which time the appeal will be suspended for examination pursuant to paragraph (d) of this section. The prosecution of the application will be reopened to the extent necessary to conduct the examination pursuant to paragraph (d) of this section including any appeal pursuant to § 1.191. If an appeal has already been filed based on a rejection on other grounds, any further rejection under this section shall be treated in accordance with § 1.193(c).

* * * * *

6. Section 1.71 is amended by adding new paragraphs (d) and (e) to read as follows:

§ 1.71 Detailed description and specification of the invention.

* * * * *

(d) A copyright or mask work notice may be placed in a design or utility patent application adjacent to copyright and mask work material contained therein. The notice may appear at any appropriate portion of the patent application disclosure. For notices in drawings, see § 1.84(o). The content of the notice must be limited to only those elements required by law. For example, "1983 John Doe" (17 U.S.C. 401) and "© John Doe" (17 U.S.C. 909) would be properly limited and, under current statutes, legally sufficient notices of copyright and mask work, respectively. Inclusion of a copyright or mask work notice will be permitted only if the authorization language set forth in paragraph (e) of this section is included at the beginning (preferably as the first paragraph) of the specification.

(e) The authorization shall read as follows:

A portion of the disclosure of this patent document contains material which is subject to 'copyright or mask work,' protection. The 'copyright or mask work' owner has no objection to the facsimile reproduction by anyone of the patent document or the patent disclosure, as it appears in the Patent and Trademark Office patent file or records, but otherwise reserves all 'copyright or mask work' rights whatsoever.

7. Section 1.81 is amended by revising the title and paragraph (a) to read as follows:

§ 1.81 Drawings required in patent application.

(a) The applicant for a patent is required to furnish a drawing of his or her invention where necessary for the understanding of the subject matter sought to be patented; this drawing, or a high quality copy thereof, must be filed with the application. Since corrections are the responsibility of the applicant, the original drawing(s) should be retained by the applicant for any necessary future correction.

* * * * *

8. Section 1.84 is amended by revising paragraphs (a), (b), (i), (j) and (l) and by adding new paragraphs (n), (o), and (p), to read as follows:

§ 1.84. Standards for drawings.

(a) *Paper and Ink.* Drawings or high quality copies thereof which are submitted to the Office must be made upon paper which is flexible, strong, white, smooth, non-shiny and durable. India ink, or its equivalent in quality, is preferred for pen drawings to secure perfectly black solid lines. The use of white pigment to cover lines is not normally acceptable. See paragraph (p) of this section for use of color drawings in utility patent applications.

(b) *Size of sheet and margins.* The size of the sheets on which drawings are made may be exactly 8 1/2 by 14 inches (21.6 by 35.6 cm.), exactly 8 1/2 by 13 inches (21.6 by 33.1 cm.), or exactly 21.0 by 29.7 cm. (DIN size A4). All drawing sheets in a particular application must be the same size. One of the shorter sides of the sheet is regarded as its top.

* * * * *

(2) On 8 1/2 by 13 inch drawing sheets, the drawing must include a top margin of 1 inch (2.5 cm.) and bottom and side margins of 1/4 inch (6.4 mm.) from the edges, thereby leaving a "sight" precisely 8 by 11 3/4 inches (20.3 by 29.8 cm.). Margin border lines are not permitted. All work must be included within the "sight." The sheets may be provided with two 1/4 { inch (6.4 mm.) diameter holes having their centerlines spaced 11/16 inch (17.5 mm.) below the top edge and 2 3/4 inches (7.0 cm.) apart, said holes being equally spaced from the respective side edges.

(3) On 21.0 by 29.7 cm. drawing sheets, the drawing must include a top margin of at least 2.5 cm., a left side margin of 2.5 cm., a right side margin of 1.5 cm., and a bottom margin of 1.0 cm. Margin border lines are not permitted. All work must be contained within a sight size not to exceed 17 by 26.2 cm.

* * * * *

(i) *Views.* The drawing must contain as many figures as may be necessary to show the invention; the figures should be consecutively numbered if possible in the order in which they appear. The figures may be plan, elevation, section, or perspective views, and detail views of portions or elements, on a larger scale if necessary, may also be used. Exploded views, with the separated parts of the same figure embraced by a bracket, to show the relationship or order of assembly of various parts are permissible. When an exploded view is shown in a figure which is on the same sheet as another figure, the exploded view should be placed in brackets. When necessary, a view of a large machine or device in its entirety may be broken and extended over several sheets if there is no loss in facility of understanding the view. Where figures on two or more sheets form in effect a single complete figure, the figures on the several sheets should be so arranged that the complete figure can be understood by laying the drawing sheets adjacent to one another. The figures, even through on separate sheets, should be labeled as separate figures, for example as Fig. 1a, Fig. 1b, etc., so that it would be apparent that the views actually comprise one figure. The arrangement should be such that no part of any of the figures appearing on the various sheets is concealed and that the complete figure can be understood even though spaces will occur in the complete

figure because of the margins on the drawing sheets. The plane upon which a sectional view is taken should be indicated on the general view by a broken line, the ends of which should be designated by numerals corresponding to the figure number of the sectional view and have arrows applied to indicate the direction in which the view is taken. A moved position may be shown by a broken line superimposed upon a suitable figure if this can be done without crowding, otherwise a separate figure must be used for this purpose. Modified forms of construction can only be shown in separate figures. Views should not be connected by projection lines nor should centerlines be used. When a portion of a figure is enlarged for magnification purposes, the figure and the enlarged figure must be labeled as a separate figures.

(j) *Arrangement of Views.* All views on the same sheet should stand in the same direction and, if possible, stand so that they can be read with the sheet held in an upright position. If views longer than the width of the sheet are necessary for the clearest illustration of the invention, the sheet may be turned on its side so that the top of the sheet with the appropriate top margin to be used as the heading space is on the right-hand side. One figure must not be placed upon another or within the outline of another.

* * * * *

(l) *Identification of drawings.* Identifying indicia (such as the application number, group art unit, title of the invention, attorney's docket number, inventor's name, number of sheets, etc.) not to exceed 2 3/4 inches (7.0 cm.) in width may be placed in a centered location between the side edges within three-fourths inch (19.1 mm.) of the top edge. Either this marking technique on the front of the drawing or the placement, although not preferred, of this information and the title of the invention on the back of the drawings is acceptable. Authorized security markings may be placed on the drawings provided they are outside the illustrations and are removed when the material is declassified. Other extraneous matter will not be permitted upon the face of a drawing.

* * * * *

(n) *Numbering of drawing sheets.* The drawing sheets may be numbered in consecutive arabic numbers at the top of the sheets, in the middle, but not in the margin. Such numbering will be deleted for printing purposes since page numbers are added at the time of printing the patent by the Office.

(o) *Copyright or Mask Work Notice.* A copyright or mask work notice may appear in the drawing but must be placed with the "sight" of the drawing immediately below the figure representing the copyright or mask work material and be limited to letters having a print size of 1/8 to 1/4 inches (3.2 to 6.4 mm) high. The content of the notice must be limited to only those elements required by law. For example, "© 1983 John Doe" (17 U.S.C. 401) and "© John Doe" (17 U.S.C. 909) would be properly limited and, under current statutes, legally sufficient notices of copyright and mask work, respectively. Inclusion of a copyright or mask work notice will be permitted only if the authorization language set forth in 1.71(e) is included at the beginning (preferably as the first paragraph) of the specification.

(p) *Limited use of color drawings in utility patent applications.* Paragraph (a) of this section requires that drawings in utility patent applications must be in black on white paper. However, on rare occasion, color drawings may be necessary as the only practical medium by which to disclose the subject matter sought to be patented in a utility patent application. The Patent and Trademark Office will accept color drawings in utility patent applications only after granting of a petition by the applicant under § 1.183 of this part which requests waiver of the requirements of paragraph (a) of this section. Any such petition should be directed to the Office of the Deputy Assistant Commissioner for Patents and must include the following:

(1) The appropriate fee set forth in § 1.17(h).

(2) Five (5) sets of color drawings on DIN size A4 (21.0 by 29.7 cm.) sheets.

(3) A proposed amendment to insert in the specification the following language as the first paragraph in the portion of the specification relating to the brief description of the drawing:

"The file of this patent contains at least one drawing executed in color. Copies of this patent with color drawing(s) will be provided by the Patent and Trademark Office upon request and payment of the necessary fee."

9. Section 1.85 is revised to read as follows:

§ 1.85 Corrections to drawings.

(a) The requirements of § 1.84 relating to drawings will be strictly enforced. A drawing not executed in conformity thereto, if suitable for reproduction, may be admitted for examination but in such case a new drawing must be furnished.

(b) The Patent and Trademark Office will not release drawings in applications having a filing date after Jan. 1, 1989, or any drawings from any applications after Jan. 1, 1991, for purposes of correction. If corrections are necessary, new corrected drawings must be submitted within the time set by the Office.

(c) When corrected drawings are required to be submitted at the time of allowance, the applicant is required to submit acceptable drawings within three months from the mailing of the "Notice of Allowability." Within that three-month period, two weeks should be allowed for review of the drawings by the Drafting Branch. If the Office finds that correction is necessary, the applicant must submit a new corrected drawing to the Office within the original three-month period to avoid the necessity of obtaining an extension of time and paying the extension fee. Therefore, the applicant should file corrected drawings as soon as possible following the receipt of the Notice of Allowability. The provisions with respect to obtaining an extension of time relates only to the late filing of corrected drawings. The time limit for payment of the issue fee is a fixed three-month period which cannot be extended as set forth in 35 U.S.C. 151.

10. Section 1.152 is revised to read as follows:

§ 1.152 Drawing.

The design must be represented by a drawing made in conformity with the rules laid down for drawings of mechanical inventions and must contain a sufficient number of views to constitute a complete disclosure of the appearance of the article. Appropriate surface shading must be used to show the character or contour of the surfaces represented. Broken lines may be used to show visible environmental structure, but may not be used to show hidden planes and surfaces which cannot be seen through opaque materials.

11. Section 1.478 is amended by revising paragraphs (b)(1) and (c)(1) to read as follows:

§ 1.378 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.

* * * * *

(b) * * *

(1) The required maintenance fee set forth in § 1.20 (e) - (j),

* * *

(c) * * *

(1) The required maintenance fee set forth in § 1.20 (e) - (j),

* * *

12. Section 1.421 is amended by revising paragraph (f) and adding a new paragraph (g) to read as follows:

§ 1.421 Applicant for international application.

* * * * *

(f) Changes in the person, name, or address of the applicant of an international application shall be made in accordance with PCT Rule 92bis.

(g) The wording of PCT Rule 92bis is as follows:

PCT Rule 92bis - Recording of Changes in Certain Indications in the Request or the Demand *92bis Recording of Changes by the International Bureau*

(a) The International Bureau shall, on the request of the applicant or the receiving Office, record changes in the following indications appearing in the request or demand:

(i) person name, residence, nationality or address of the applicant,

(ii) person, name or address of the agent, the common representative or the inventor.

(b) The International Bureau shall not record the requested change if the request for recording is received by it after the expiration:

(i) of the time referred to in Article 22(1), where Article 39(1) is not applicable with respect to any Contracting State;

(ii) of the time limit referred to in Article 39(1)(a), where Article 39(1) is applicable with respect to at least one Contracting State.

13. Section 1.480 is amended by revising paragraph (d) to read as follows:

§ 1.480 Demand for international preliminary examination.

* * * * *

(d) Withdrawal of a proper Demand prior to the start of the international preliminary examination will entitle applicant to a refund of the preliminary examination fee minus the amount of the transmittal fee set forth in § 1.445(a)(1).

Nov. 21, 1988

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks

[1097 OG 36]

(75)

Department of Commerce
Patent and Trademark Office
37 CFR Part I
Docket No. 81024-9224
Rin 0651-AA30

Revision of Patent Application Filing Practices

Agency: Patent And Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases, Part I of Title 37, Code of Federal Regulations, to clarify requirements in the filing of patent applications and to provide for procedures to cure certain defects in the filing of applications.

Effective Date: Jan. 16, 1990.

For Further Information Contact: J. Michael Thesz by telephone at (703) 557-8384 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Proposed rulemaking requesting comments was published on Nov. 30, 1988 in the *Federal Register* at 53 FR 48402-48421 and on Dec. 13, 1988, in the *Official Gazette* at 1097 O.G. 16-35 regarding adjusting patent and trademark fee amounts and including proposed changes to the rules involved in this rulemaking. The period for receiving comments on the rules involved in this rulemaking was extended by a notice published on Feb. 15, 1989 in the *Federal Register* at 54 FR 6936. The final rules adjusting patent and trademark fee amounts were published Feb. 15, 1989 in the *Federal Register* at 54 FR 6893-6910 and on March 7, 1989 in the *Official Gazette* at 1100 O.G. 7-25.

Comments on the rules involved in this rulemaking were received from two patent law associations and from three individuals. The comments received relating to particular sections and replies thereto are listed below.

Comments Related to Section 1.53

Comment: One comment suggested that it would be helpful to new practitioners, in particular, if section 1.53 was amended to specify that continuation and divisional applications may be filed under section 1.53.

Reply: The suggestion in the comment has been adopted. Language has been added to paragraph (b) of section 1.53 to specify what types of applications may be filed under sections 1.53, 1.60 and 1.62. Also, the information about filing continuation and divisional applications from paragraph (a) of section 1.60 has been placed in paragraph (b) of that section to clarify that the information applies only to applications filed under section 1.60.

Comment: One comment stated support for the proposed petition for correcting a failure to name the inventors of an application on filing but suggested that the rule should be "liberalized to indicate that the inventors do not need to be named at the time the application is filed, but may be named later when filing the declaration or oath." Another comment expressed no opposition for requiring a petition and fee for late submission of the names of the inventors but argued that a filing date should be granted regardless thereof since 35 U.S.C. 111 provides for a filing date upon submission of a specification and drawing.

Reply: This suggested modification to the rule has not been adopted. The suggested modification was not proposed for comment. Further, United States patent practice has long required naming all the inventors on filing. The petition procedure of the rule as amended provides adequate relief where the inventors are not named on filing through administrative oversight, for example. It is not appropriate, however, to adopt a procedure where applications could routinely be filed without naming the inventors since this would delay the processing of the applications and since the name of the inventor is often required to provide a unique identifier for an application. The name of the inventor is not only used by attorneys to identify an application but is used to locate an application within the Office, for example, when the serial number is unknown. To delay the date when the inventors are named would unduly add to the administrative burden of the Office.

Comment: One comment stated that the proposed requirement for satisfactorily explaining the delay in supplying the inventors' names was improper since 35 U.S.C. 111 uses the language "within such period and under such conditions" as may be prescribed by the Commissioner. The comment stated that "satisfactorily" implies other and unknown standards, which are not specified conditions although requiring the petitioner to explain the delay is a condition.

Reply: The comment has been adopted in that the language of the final rule does not use "satisfactorily". The final rule requires that the petition set forth the reasons the delay in supplying the names of the inventors should be excused. It is appropriate to require reasons since there may be reasons when such a petition would not be granted, e.g., where the sole reason given that the names of the inventors were not supplied was to purposely delay the processing of the application.

Comments Related to Section 1.60

Comment: One comment questioned whether under section 1.60 there is need for a petition satisfactorily explaining the delays in filing the true copy of the application or a statement that it is a true copy or whether these items should be permitted to be filed without explanation as in the case of an oath submitted after the filing date of an application under section 1.53.

Reply: The filing of an oath later than the filing date of an application, with the payment of a surcharge, under section 1.53 is expressly permitted by 35 U.S.C. 111. No such provision exists for applications filed under section 1.60. Further, it is not appropriate to encourage, in any way, the delay in processing and examining applications filed under section 1.60. The requirement for a petition with a satisfactory explanation of the delay, e.g., that the copy was omitted through inadvertence rather than for purposes of delaying the application, is considered to be appropriate.

Comment Related to Section 1.60 and 1.62

Comment: One comment supported the provisions of proposed sections 1.60 and 1.62 for excusing 1) the failure to file

a true copy of the prior application or the statement that the papers are a true copy (in section 1.60) or 2) the error of filing a copy of the prior application or a new specification (in section 1.62). The comment, however, stated a belief that applicants should have the option of proceeding under either of these proposed rules or under section 1.53 to obtain as the filing date the original date of receipt of the continuing application papers, if desired.

Reply: It is already possible for an applicant to petition under 37 CFR 1.182 to have an application filed under sections 1.60 and 1.62 converted to an application under section 1.53. These different types of applications have different requirements, are reviewed by different personnel within the Office, and are processed in different manners. Conversion from a section 1.60 or 1.62 application to a section 1.53 application involves an administrative burden to the Office. Sections 1.60 and 1.62 as amended provide specific procedures so that applicants can correct the mentioned errors. These procedures should provide the remedy desired by applicants in all but very unusual situations. It is not necessary or appropriate to try to address these very unusual situations in this rulemaking.

Comments Related to Section 1.62

Comment: One comment suggested that Section 1.62(e) should refer to an amendment to the prior application as it exists "at the time of filing of the application under this section" rather than the time of filing the prior application.

Reply: The language suggested in the comment has been adopted.

Comment: One comment questioned whether a petition and fee or denial of filing date were necessary where a copy of a specification from the prior application or a new specification is improperly filed with an application under section 1.62. The comment suggested that a clerk could simply disregard the copy or the specification and place it somewhere in the file with some sort of notation that it is not accepted.

Reply: Changes to the prior application when filing under section 1.62 must be made by amendment to the prior application as it exists at the time of filing the section 1.62 application since the papers from the prior application including the specification are used to constitute the file wrapper continuing application under 37 CFR 1.62. Experience has shown that, when a copy of a specification or a new specification is filed with a section 1.62 application, a different type of application may have actually been desired. For example, a continuing application under section 1.60 may have been desired with the prior application not being expressly abandoned as occurs under section 1.62(g). Also, in the case of a continuation-in-part application, presumably the new disclosure would be contained in the specification erroneously filed with the section 1.62 application. Thus, it is not appropriate to just disregard the copy or the new specification filed with the section 1.62 application. To do so in the first example would result in an unwanted express abandonment. To do so in the second example would disregard the new invention disclosed in the erroneously filed specification. This would raise the possibility of a statutory bar under 35 U.S.C. 102(b) arising if, for example, the new invention was placed on sale in expectation that a filing date would be accorded to the application including the new disclosure. The course of action adopted is to stop the processing of the application as soon as the error is detected, to notify applicant of the error and to give applicant an opportunity to correct the error in whatever way was intended through the filing of a petition and fee.

Comment: One comment questioned whether an amendment, and not a petition, cancelling an improperly submitted copy of a specification filed with a request for a section 1.62 application would be appropriate to obtain a filing date as of the original date of filing the continuing application papers.

Reply: Paragraph (j) of section 1.62 does provide for correction of the filing error, e.g., by amendment cancelling the copy of the prior application, without the filing of a petition and fee provided the correction is made before the payment of the issue fee, abandonment of or termination of proceedings on the prior application. In such a case, the filing date will be the date of receipt of the correction. However, if the date of deposit is necessary or desired as the filing date, a petition and fee are required. This is appropriate in view of the extra Office handling

and processing which is necessitated by applicant's error on filing.

Comment: One comment stated that proposed paragraphs (e) and (j) of section 1.62, when read together, seemed to indicate that a filing date would be granted as of the date the filing error was corrected and not as of the date of deposit of the application. It was suggested that paragraph (e) should expressly state that once the specification is cancelled, the application will be accorded a filing date as of the date of filing of the request for the section 1.62 application.

Reply: The suggestion in the comment has been adopted. Language has been added to section 1.62(e) to state that a filing date "as of the date of deposit of the request for an application under this section" may be granted if an appropriate petition is filed.

Discussion of Specific Rules

Section 1.17, paragraph (i)(1), is amended to include reference to the petitions set forth in sections 1.53, 1.60 and 1.62 by this rulemaking.

Section 1.21, as amended, adds a new paragraph (n) setting forth the fee for handling incomplete or improper applications under sections 1.53(c), 1.60 and 1.62.

Section 1.53, paragraph (b), is amended to establish a procedure whereby the failure to name all the inventors on filing an application, which results in a filing date not being accorded to the application, can be excused upon the filing of a petition which sets forth reasons sufficient to show that the delay in supplying the names should be excused. If the petition is granted, the application would be accorded a filing date as of the date the original papers were deposited. No specific provision allowing this relief was previously in the rules. Paragraph (b) is also amended to specify that a continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121 and section 1.78(a)) may be filed under sections 1.53, 1.60 and 1.62, that a continuation-in-part application may be filed under sections 1.53 or 1.62 and that the requirements for obtaining a filing date set forth in paragraph (b) apply to applications filed under section 1.53. Paragraph (c), as amended, sets forth the procedure which the Office uses to notify an applicant that the names of the inventors have been omitted and refers to the handling fee set in section 1.21(n), rather than including the fee amount in the rule. This practice is consistent with the other rules which refer to fees.

Section 1.55, paragraph (a), is amended to clarify the language of the rule by adding "an" before "interference".

Section 1.60 is amended to remove and reserve paragraph (a) and to amend paragraph (b) to include the information presently in paragraph (a) so as to clarify that the information applies only to applications filed under this section. Paragraph (b) is also amended to require that an applicant, who desires to file an application under the rule, indicate that the application is being filed pursuant to the rule. Applications which are not specifically designated as being filed under section 1.60 are considered as having been filed under section 1.53, which does not require an originally executed declaration before a filing date is given. The amendment also establishes a procedure whereby the failure to file a true copy of the prior application or the statement that the papers are a true copy, which results in a filing date not being accorded the application, can be excused upon the filing of a petition satisfactorily explaining the delay in filing these items. If the petition is granted, the application would be accorded a filing date as of the date of deposit of the request for a section 1.60 application. No specific provision allowing this relief was previously in the rules. Paragraph (c) is added to set forth the procedure which the Office uses to notify an applicant that an application filed under paragraph (b) is incomplete and the handling fee which is deducted from the amount refunded if an application is not completed after notice to do so has been given.

Section 1.62, paragraph (e), is amended to specifically state that changes to the prior application must be made by an amendment to the prior application filed in the application under section 1.62. An application which includes a copy of the prior application or a new specification is improper under the rule and is not accorded the date of deposit as the filing date unless a petition is filed and granted. This specific statement will hopefully eliminate errors by applicants. The paragraph establishes a

procedure whereby such an error can be excused upon the filing of a petition with instructions to cancel the copy or specification. If the petition is granted, the application will be accorded a filing date as of the date of deposit of the request for a section 1.62 application. Paragraph (j) sets forth the procedure which the Office uses to notify the applicant that an application filed under the section is improper and the handling fee which is deducted from the amount refunded if an application is not corrected after notice to do so has been given.

Section 1.96 is amended to indicate that a copy of the microfiche appendix with computer program listings in an application is a part of the file wrapper and contents available for purchase after a patent based on the application is granted or the application is otherwise made publicly available.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. Sections 3501 et seq. This rule involves information collection requirements subject to the Paperwork Reduction Act and approved by the Office of Management and Budget under Control No. 0651-0011.

The Office has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354).

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Part I

Administrative practice and procedure, Courts, Freedom of Information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons given in the preamble and pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 41, and Public Law 97-247, the Office is amending Title 37 of Code of Federal Regulations as set forth below.

Part I Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.17 is amended by revising paragraph (i)(1) to read as follows:

§ 1.17 Patent application processing fees.

* * * * *

(i)(1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph....\$120.00

- 1.12-for access to an assignment record.
- 1.14-for access to an application.
- 1.53-to accord a filing date.
- 1.55-for entry of late priority papers.
- 1.60-to accord a filing date.
- 1.62-to accord a filing date.
- 1.103-to suspend action in application.

- 1.177-for divisional reissues to issue separately.
- 1.312-for amendment after payment of issue fee.
- 1.313-to withdraw an application from issue
- 1.314-to defer issuance of a patent.
- 1.334-for patent to issue to assignee, assignment recorded late.
- 1.666(b)-for access to interference settlement agreement.

3. Section 1.21 is amended by adding paragraph (n) to read as follows:

§1.21 Miscellaneous fees and charges.

(n) For handling an incomplete or improper application under 1.53(c), 1.60 or 1.62 \$20.00.

4. Section 1.53 is amended by revising paragraphs (b) and (c) to read as follows:

1.53 Serial number, filing date and completion of application.

(b) The filing date of an application for patent filed under this section is the date on which: (1) a specification containing a description pursuant to 1.71 and at least one claim pursuant to 1.75; and (2) any drawing required by 1.81(a), are filed in the Patent and Trademark Office in the name of the actual inventor or inventors as required by 1.41. No new matter may be introduced into an application after its filing date (1.118). If all the names of the actual inventor or inventors are not supplied when the specification and any required drawing are filed, the application will not be given a filing date earlier than the date upon which the names are supplied unless a petition with the fee set forth in 1.17(i)(1) is filed which sets forth the reasons the delay in supplying the names should be excused. A continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121 and 1.78(a)) may be filed pursuant to this section, 1.60 or 1.62. A continuation-in-part application may be filed pursuant of this section or 1.62.

(c) If any application is filed without the specification, drawing or name, or names, of the actual inventor or inventors required by paragraph (b) of this section, applicant will be so notified and given a time period within which to submit the omitted specification, drawing, name, or names, of the actual inventor, or inventors, in order to obtain a filing date as of the date of filing of such submission. A copy of the "Notice of Incomplete Application" form notifying the applicant should accompany any response thereto submitted to the Office. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less the handling fee set forth in 1.21(n).

5. Section 1.55 is amended by revising paragraph (a) to read as follows:

§ 1.55 Claim for foreign priority.

(a) An applicant may claim the benefit of the filing date of a prior foreign application under the conditions specified in 35 U.S.C. 119 and 172. The claim to priority need be in no special form and may be made by the attorney or agent if the foreign application is referred to in the oath or declaration as required by 1.63. The claim for priority and the certified copy of the foreign application specified in the second paragraph of 35 U.S.C. 119 must be filed in the case of an interference (1.630); when necessary to overcome the date of a reference relied upon by the examiner; or when specifically required by the examiner; and in all other cases they must be filed not later than the date the issue fee is paid. If the papers filed are not in the English language, a translation need not be filed except in the three particular instances specified in the preceding sentence, in which event a sworn translation or a translation certified as accurate by a sworn or official translator

must be filed. If the priority papers are submitted after the date the issue fee is paid, they must be accompanied by a petition requesting their entry and the fee set forth in 1.17(i)(1).

6. Section 1.60 is amended by removing and reserving paragraph (a) and revising paragraph (b) and adding new paragraph (c) to read as follows:

§ 1.60 Continuation or divisional application for invention disclosed in a prior application.

(a) [RESERVED]

(b) An applicant may omit signing of the oath or declaration in a continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121 and 1.78(a)) if (1) the prior application was a complete application as set forth in 1.51(a), (2)applicant indicates that the application is being filed pursuant to this section and files a true copy of the prior complete application as filed including the specification (including claims), drawings, oath or declaration showing the signature or an indication it was signed, and any amendments referred to in the oath or declaration filed to complete the prior application, (3) the inventors named in the continuation or divisional application are the same or less than all the inventors named in the prior application, and (4) the application is filed before the patenting or abandonment of or termination of proceedings on the prior application. The copy of the prior application must be accompanied by a statement that the application papers filed are a true copy of the prior application and that no amendments referred to in the oath or declaration filed to complete the prior application introduced new matter therein. Such statement must be by the applicant or applicant's attorney or agent and must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. Only amendments reducing the number of claims or adding a reference to the prior application (1.78(a)) will be entered before calculating the filing fee and granting the filing date. If the continuation or divisional application is filed by less than all the inventors named in the prior application, a statement must accompany the application when filed requesting deletion of the names of the person or persons who are not inventors of the invention being claimed in the continuation or divisional application. If a true copy of the prior application as filed is not filed with the application or if the statement that the application papers are a true copy is omitted, the application will not be given a filing date earlier than the date upon which the copy and statement are filed, unless a petition with the fee set forth in 1.17(i)(1) is filed which satisfactorily explains the delay in filing these items.

(c) If an application filed pursuant to paragraph (b) of this section is incomplete, applicant will be notified and given a time period within which to complete the application in order to obtain a filing date as of the date of filing the omitted item provided the omitted item is filed before the patenting or abandonment of or termination of proceedings on the prior application. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less the handling fee set forth in 1.21(n).

7. Section 1.62 is amended by revising paragraph (e) and by adding a new paragraph (j) to read as follows:

§1.62 File wrapper continuing procedure.

(e) An application filed under this section will utilize the file wrapper and contents of the prior application to constitute the new continuation, continuation-in-part, or divisional application but will be assigned a new application serial number. Changes to the prior application must be made in the form of an amendment to the prior application as it exists at the time of filing the application under this section. No copy of the prior application or new specification is required. The filing of such a copy or specification will be considered improper, and a filing date as of the date of deposit of the request for an application under this section will not be granted to the application unless a petition with the fee set forth in § 1.17(i)(1) is filed with instructions to cancel the copy or specification.

* * * * *

(j) If any application filed under this section is found to be improper, the applicant will be notified and given a time period within which to correct the filing error in order to obtain a filing date as of the date the filing error is corrected provided the correction is made before the payment of the issue fee, abandonment of, or termination of proceedings on the prior application. If the filing error is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less the handling fee set forth in § 1.21(n).

8. Section 1.96 is amended by revising paragraph (b)(1) to read as follows:

§ 1.96 Submission of computer program listings.

* * * * *

(b) * * *

(1) *Availability of appendix.* Such computer program listings on microfiche will be available to the public for inspection, and microfiche copies thereof will be available for purchase with the file wrapper and contents, after a patent based on such application is granted or the application is otherwise made publicly available.

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Nov. 6, 1989

JEFFERY M. SAMUELS
*Acting Commissioner
of Patents and Trademarks*

[1109 OG 6]

(76) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Part 1
[Docket No. 920666-2275]
RIN 0651-AA59

Changes in Practice Relating to Filing Patent Applications

Agency: Patent and Trademark Office, Commerce.

Action: Final Rule.

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases to provide a uniform practice with respect to filing an oath or declaration and filing fees in continuing applications.

Effective Date: Jan. 4, 1993. These rules will be applicable to all papers and applications filed with the Office on or after the effective date.

For Further Information Contact: Jeffrey V. Nase by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: In a Notice of Proposed Rulemaking published in the *Federal Register* (57 FR 31344) on July 15, 1992, and in the Patent and Trademark Office *Official Gazette* (1141 Off. Gaz. Pat. Office 9) on Aug. 4, 1992, the Office proposed to amend § 1.60. The due date for submitting written comments was extended to Sept. 10, 1992, in an Extension of Comment Period published in the *Federal Register* (57 FR 38640) on Aug. 26, 1992.

One comment was received. The comment favored adoption of the proposed rule changes.

A continuation or divisional application filed under § 1.60 did not receive a filing date until a complete copy of the prior application was filed, including a true copy of the oath or declaration. Since the Office is in possession of the oath or declaration of the prior application, § 1.60 is being modified to be consistent with §§ 1.53 and 1.62 by permitting filing of a true copy of the oath or declaration within a time specified in a notice of missing parts mailed by the Office.

The specific revisions are discussed below:

(1) Correction of inventorship (§ 1.48)

Section 1.48(a) is amended to replace the designation by letter of various requirements therein with numbered designations so as to avoid confusion when making reference to this section.

(2) Procedures for completing applications filed under § 1.60

Section 1.60 outlines one of the procedures that may be followed by applicants to file a continuation or divisional application. One of the requirements under this section is that applicants file a true copy of the complete parent application as filed, including the oath or declaration. Paragraph (c) of this section had specified that a filing date would not be granted if applicant failed to file a complete application under this section. When the missing item was filed, a filing date was granted as of the date of receipt of the missing item. Practice under § 1.60 is being modified to be similar to the procedures for filing continuing applications under § 1.53(d) and continuation-in-part applications under § 1.62. More specifically, a new paragraph (d) is added in § 1.60 to indicate that if an application filed pursuant to § 1.60(b) is otherwise complete, but does not include the appropriate filing fee or a true copy of the oath or declaration from the prior complete application, a filing date will be granted. The copy of the oath or declaration, as well as payment of the appropriate filing fee must be submitted within a time period specified in a notice of missing parts mailed by the Office. In a manner similar to the practice under §§ 1.53(d) and 1.62(d), the appropriate oath or declaration and/or filing fee as well as the surcharge set forth in § 1.16(e) must be filed within the time period specified in the notice of missing parts in order to avoid abandonment of the application. Paragraphs (b) and (c) of this section are amended to make reference to the exception specified in paragraph (d) discussed above.

OTHER CONSIDERATIONS

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these changes is to accord a filing date to certain continuing applications which, through oversight, fail to include certain papers which can be submitted after the filing date.

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individuals; industries; Federal, state or local government agencies; or geographic regions most of the changes reduce procedural burdens. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of the United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, since no record keeping or reporting requirements within the coverage of the Act are placed upon the public.

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements.

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. 6, part 1 of title 37 of the Code of Federal Regulations is amended as set forth below.

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.48, paragraph (a) is revised to read as follows:

§ 1.48 Correction of inventorship

(a) if the correct inventor or inventors are not named in an application for patent through error without any deceptive intention on the part of the actual inventor or inventors, the application may be amended to name only the actual inventor or inventors. Such amendment must be diligently made and must be accompanied by:

(1) a petition including a statement of facts verified by the original named inventor or inventors establishing when the error without deceptive intention was discovered and how it occurred;

(2) an oath or declaration by each actual inventor or inventors as required by § 1.63;

(3) the fee set forth in § 1.17(h); and

(4) the written consent of any assignee.

When the application is involved in an interference, the petition shall comply with the requirements of this section and shall be accompanied by a motion under § 1.634.

3. In Section 1.60, paragraphs (b) and (c) are revised and paragraph (d) is added to read as follows:

§ 1.60 Continuation or divisional application for invention disclosed in a prior application.

(b) An applicant may omit signing of the oath or declaration in a continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 and 121 and § 1.78(a)) if:

(1) the prior application was a complete application as set forth in § 1.51(a),

(2) applicant indicates that the application is being filed pursuant to this section and files a true copy of the prior complete application as filed including the specification (with claims), drawings, oath or declaration showing the signature or an indication it was signed, and any amendments referred to in the oath or declaration filed to complete the prior application,

(3) the inventors named in the continuation or divisional application are the same or less than all the inventors named in the prior application, and

(4) the application is filed before the patenting or abandonment of or termination of proceedings on the prior application. The copy of the prior application must be accompanied by a statement that the application papers filed are a true copy of the prior application and that no amendments referred to in the oath or declaration filed to complete the prior application introduced new matter therein. Such statement must be by the applicant or applicant's attorney or agent and must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. Only amendments reducing the number of claims or adding a reference to the prior application (2 1.78(a)) will be entered before calculating the filing fee and granted the filing date. If the continuation or divisional application is filed by less than all the inventors named in the prior application, a statement must accompany the application when filed requesting deletion of the names of the person or persons who are not inventors of the invention being claimed in the continuation or divisional application. Except as provided in paragraph (d) of this section, if a true copy of the prior application as filed is not filed with the application or if the statement that the application papers are a true copy is omitted, the application will not be given a filing date earlier than the date upon which the copy and statement are filed, unless a petition with the fee set forth in § 1.17(i)(1) is filed which satisfactorily explains the delay in filing these items.

(c) if an application filed pursuant to paragraph (b) of this section is incomplete for reasons other than those specified in paragraph (d) of this section, applicant will be notified and given a time period within which to complete the application in order to obtain a filing date as of the date of filing the omitted item

provided the omitted item is filed before the patenting or abandonment of or termination or proceedings on the prior application. If the omission is not corrected within the time period set, the application will be returned or otherwise disposed of; the fee, if submitted, will be refunded less the handling fee set forth in § 1.21(n)

(d) If an application filed pursuant to paragraph (b) of this section is otherwise complete, but does not include the appropriate filing fee or a true copy of the oath or declaration from the prior complete application, showing the signature or an indication it was signed, a filing date will be granted and applicant will be so notified and given a period of time within which to file the fee, or the true copy of the oath or declaration and to pay the surcharge as set forth in § 1.16(e) in order to prevent abandonment of the application. The notification pursuant to this paragraph may be made simultaneously with any notification pursuant to paragraph (c) of this section.

Dec. 2, 1992

DOUGLAS B. COMER

*Acting Assistant Secretary and Acting
Commissioner of Patents and Trademarks*

[1145 OG 377]

(77) Use of Color Drawings in Utility Patents

This notice supersedes the *Official Gazette* notice, dated Aug. 6, 1986, published at 1070 O.G. 10 on Sept. 9, 1986.

Under 37 CFR 1.84, the drawings of a utility patent application must be in black and white. However, on occasion, color drawings may be appropriate. In this circumstance, the Patent and Trademark Office will entertain a petition under 37 CFR 1.183 to waive the requirements of § 1.84 to the extent that color drawings on DIN size A4 sheets (21.0 by 29.7 cm.) will be accepted for the purposes and under the conditions set forth below.

The petition must be accompanied by five (5) sets of color drawings on DIN size A4 sheets (21.0 by 29.7 cm.) for examination, copying and archival purposes.

In light of the substantial administrative and economic burden associated with printing a utility patent with color drawings, the patent copies which are printed at issuance of the application will depict the drawings in black and white only. However, a set of color drawings will be attached to the Letters Patent. Moreover, copies of the patent with color drawings attached thereto will be provided by the Patent and Trademark Office upon special request and payment of the fee necessary to recover the actual costs associated therewith.

Accordingly, the petition must also be accompanied by a proposed amendment to insert the following language as the first paragraph in the portion of the specification containing a brief description of the drawings:

The file of this patent contains at least one drawing executed in color. Copies of this patent with color drawing(s) will be provided by the Patent and Trademark Office upon request and payment of the necessary fee.

It is anticipated that such a petition will be granted only when the Patent and Trademark Office has determined that a color drawing is the only practical medium by which to disclose in a printed utility patent the subject matter sought to be patented.

It is emphasized that a decision to grant the petition should not be regarded as an indication that color drawings are necessary to comply with a statutory requirement. In this latter respect, clearly it is desirable to file any desired color drawings as part of the original application papers in order to avoid issues concerning statutory defects (e.g., lack of enablement under 35 USC 112 or new matter under 35 USC 132). The filing of the petition, however, may be deferred until acceptable drawings are required by the examiner.

The petition should be directed to the attention of the Office of the Deputy Assistant Commissioner for Patents.

RENE D. TEGTMEYER,

July 24, 1987.

Assistant Commissioner for Patents

[1082 OG 25]

(78)

Notice

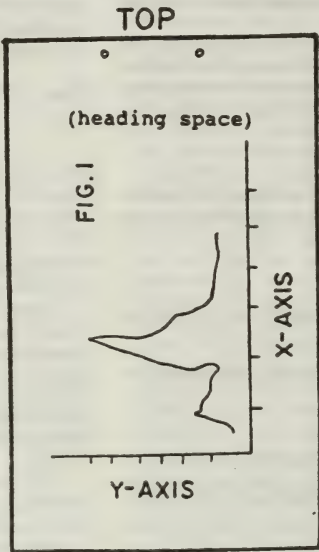
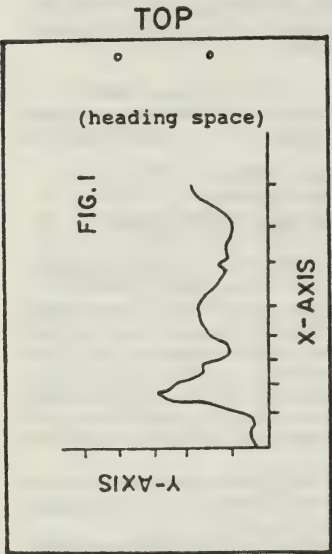
Drawings. Rule 37 CFR 1.84(j), Arrangement of views, is being strictly enforced. The rule states:

“(j) **Arrangement of views.** All views on the same sheet should stand in the same direction and, if possible, stand so that they can be read with the sheet held in an upright position. If views longer than the width of the sheet are necessary for the clearest illustration of the invention, the sheet may be turned on its side so that the top of the sheet with the appropriate top margin to be used as the heading space is on the right-hand side. One figure must not be placed upon another or within the outline of another.”

Words must appear in a horizontal, left-to-right fashion when the page is either upright or turned clockwise 90° with the top on the right side. Example A below is improper because the words “Y-AXIS” do not meet the rule’s requirement. Example B below demonstrates the proper procedure. The words “heading space” are included for demonstration purposes.

Example A. Improper

Example B. Proper



Nov. 29, 1990

THERESA A. BRESFORD
Assistant Commissioner
for Administration

[1121 OG 54]

(79)

Drawings

The following supplements the notice published at 1121 *Official Gazette* 54 (Dec. 25, 1990) concerning drawings.

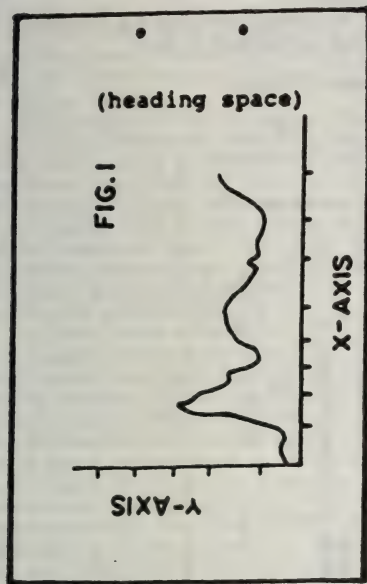
37 CFR 1.84(j), states:

“(j) **Arrangement of views.** All views on the same sheet should stand in the same direction and, if possible, stand so that they can be read with the sheet held in an upright position. If views longer than the width of the sheet are necessary for the clearest illustration of the invention, the sheet may be turned on its side so that the top of the sheet with the appropriate top margin to be used as the heading space is on the right-hand side. One figure must not be placed upon another or within the outline of another.”

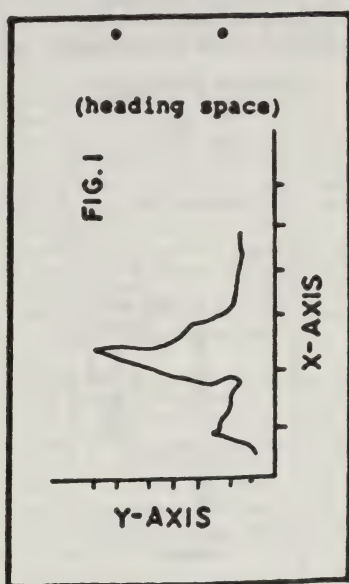
Words must appear in a horizontal, left-to-right fashion when the page is either upright or turned so that the top becomes the right side. This will allow for drawings to be viewed on a monitor in an automated search system so that words/numbers appear in either an upright position or when rotated 90° to the right.

The previous notice stated that Example A was improper because the words “Y-AXIS” do not meet the rule’s requirement. Example B was used to demonstrate one way to meet the rule’s requirement. Examples A and B are reprinted below for your convenience.

Example A-Improper
(Proper under Scientific Convention)
TOP

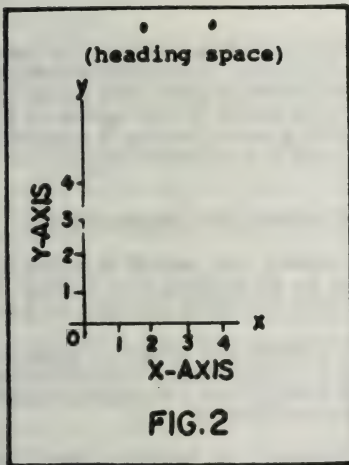


Example B-Proper
TOP

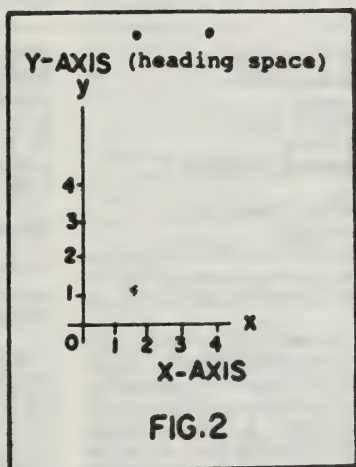


New examples that meet the rule's requirement are provided in Examples C, D, and E, below. The words "heading space" are included for orientation purposes.

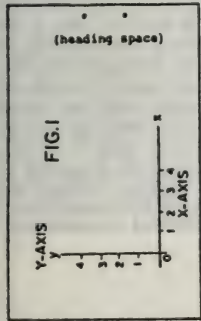
Example C-Proper
TOP



Example D-Proper
TOP



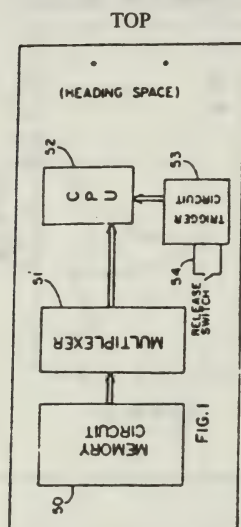
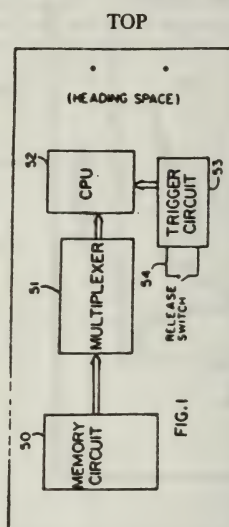
Example E-Proper
TOP



It has been brought to the Office's attention that Example B does not conform to scientific convention, but Example A does conform to scientific convention.

The Office has reconsidered its interpretation of that rule as it applies to graphs. Accordingly, the Office will waive the requirements of 37 CFR 1.84(j) and accept graphs conforming to scientific convention (e.g., Example A).

The Office will continue to object to all other types of drawings that do not meet the requirements of the rule (e.g., flow charts, etc. See Example F, which is objectionable). Example G depicts the proper orientation of an acceptable flow chart.

Example F. Improper**Example G. Proper**

July 17, 1991

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1129 OG 22]

(80) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR part 1
[Docket No. 920775 - 2175]
RIN 0651-AA44
Changes in Patent Drawing Standards

Agency: Patent and Trademark Office, Commerce

Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office (Office) is proposing to amend the rules of practice regarding patent drawings to adopt international standards and to eliminate unnecessary requirements.

The Office proposes to amend the rules to: (1) revise § 1.84 to provide clarification and adopt international standards; (2) delete § 1.88; (3) delete in § 1.123 the reference to changes by bonded draftsmen since the Office will no longer release drawings from patent applications; (4) revise § 1.152 for design drawings to include the option of submitting black and white photographs in lieu of black ink drawings; and (5) revise § 1.165 for plant patent drawings to eliminate the acceptability of mounted photographs.

Dates: Written comments must be received on or before Oct. 16, 1992 to ensure consideration. An oral hearing will not be conducted.

Address: Address written comments to Office of the Assistant Commissioner for Public Services and Administration, Commissioner of Patents and Trademarks, Washington, D.C. 20231, marked to the attention of Richard A. Bawcombe. Comments may also be sent by facsimile transmission to the attention of Richard A. Bawcombe at (703) 305-8294.

For Further Information Contact: Richard A. Bawcombe by telephone at (703) 305-8594 or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Drawings acceptable for patent applications filed outside of the United States are not always

acceptable when filed in a patent application filed in the United States. Therefore, the rules relating to drawing requirements are proposed to be amended to enable the Office, when appropriate, to accept drawings that are capable of clear reproduction for the printing of any resulting patent. Drawings in compliance with the present § 1.84 will be in compliance with proposed § 1.84.

Discussion of Specific Sections to be Changed or Added:

Section 1.17(h) is proposed to be amended to include the appropriate processing fee for accepting color drawings or photographs in utility patent applications as set forth in § 1.84.

Section 1.19(a)(3) is proposed to be amended to change the citation of § 1.84(p) to § 1.84(a)(2) so that § 1.19(a)(4), which sets the fee for colored drawings refers to the proper paragraph of § 1.84 that discusses color drawings.

Section 1.71(d) is proposed to be amended to change the citation of § 1.84(o) to § 1.84(s) because § 1.84(s) specifies how mask work notices should be placed on the drawings.

Section 1.84 is proposed to be revised as follows:

(a) Drawings. This paragraph is proposed to classify drawings into two categories, i.e., black ink and color and delete the limitation that the use of white pigment to cover lines is not normally acceptable. The black ink drawing requirements are proposed to be amended to allow computer-generated drawings to be accepted subject to the same standards applied to pen and ink drawings. Color drawing requirements would be moved from § 1.84(p) to proposed § 1.84(a). Color drawings may be acceptable upon the granting of a petition filed under this paragraph explaining why the color drawings are necessary. A petition is required because the special handling necessary for color drawings is time consuming and the Office cannot permit such a special procedure except in exceptional circumstances.

Since utility patents are not printed in color, 5 sets of color drawings are necessary for proper distribution within the Office. One set will be attached to the Letters Patent for routing to the applicant. The remaining four sets will be attached to patent copies for routing to (1) the patent file, (2) the Office of Administrative Services for archival storage at Boyers, Pennsylvania, (3) the plant patent search room for archival storage at the Office, and (4) the Office of Patent and Trademark Information Services for copying purposes.

(b) Photographs. This paragraph is proposed to permit the acceptance of photographs (limited to a single photograph per sheet), upon granting of an applicant's petition. The Office proposes to accept black and white and color photographs or photomicrographs (not photolithographs or other reproductions of photographs made by using screens) developed on double weight photographic paper in lieu of ink drawings. Mounted photographs would not be acceptable. The photographs must be of sufficient quality so that all details in the drawing are reproducible in the printed patent.

(c) Identification of drawings. This paragraph is proposed to be changed and broadened to permit an applicant to provide proper identification information on the reverse side of each sheet of drawings. The identification information allows the Office to match drawing sheets with the proper application. The identification information should include the application number, if known, or the title of the invention, inventor's name, docket number (if any), and name and telephone number of the person to call if the drawings cannot be matched to the proper patent application. The Office will not object if identifying information is not present; however, if the drawings become separated, the Office will not be able to match those drawings to the application. This paragraph is restructured from current § 1.84(1) and revised to state that the preferred placement of the information is on the back side of the drawing sheets.

(d) Graphic forms and drawings. This paragraph is proposed to set standards for chemical and mathematical formulae to align Office standards for formulae, tables, and waveforms with international standards.

(e) Type of paper. This paragraph is proposed as a revision of current § 1.84(a) to set forth the requirement for the type of paper to be used for drawings, including the type of paper for photographs.

(f) Size of paper. This paragraph is proposed to clarify Office requirements set forth in current § 1.84(b) and to provide that color drawings and photographs must be 21.0 cm. by 29.7 cm. (DIN size A4). Other drawings may be any of 3 sizes: 21.0 cm. by 29.7 cm. (DIN size A4), 21.6 cm. by 33.1 cm. (8 1/2 by 13 inches), or 21.6 cm. by 35.6 cm. (8 1/2 by 14 inches).

(g) Margins. This paragraph is restructured from current § 1.84(b) to indicate how the size of the paper changes the margin requirements. The Office will accept 3 sizes of paper, however, the sight (i.e. the usable surface) is the same for 2 of the paper sizes, i.e., 21.6 cm. by 33.1 cm. (8 1/2 by 13 inches), or 21.6 cm. by 35.6 cm. (8 1/2 by 14 inches).

(h) Views. This paragraph is proposed to reformat current § 1.84(i) to provide a logical arrangement of the different views provided in the rules, to revise the standards for purposes of clarification, to include the standard for waveforms to show the relative timing, to provide clearer language relative to hatching shown on drawings, to set forth the standard for depicting hatching in sectional views as one view for the purpose of achieving the necessary clarity as subliminary views maybe added giving a larger-scale of cross-hatching strokes, and to include requirements pertaining to alternate positions. In addition, both Roman and Arabic numerals would be acceptable to designate the section being illustrated.

(i) Arrangement of views. This paragraph is proposed to be relocated from current § 1.84(j) and to be revised to incorporate international standards. In addition, this paragraph is proposed to be changed and broadened to provide placement of words on drawings, as set forth in proposed § 1.84(i). One view is not to be superimposed within the outline of another. The changes expand the possibilities for presenting graphs to conform to standard scientific conventions, while using a format which is compatible with automated patent searching displays. See 1121 Off. Gaz. Pat. Office 54 (Dec. 25, 1990) and 1129 Off. Gaz. Pat. Office 22 (Aug. 13, 1991).

(j) View for Official Gazette. This paragraph is proposed to be relocated from current § 1.84(k).

(k) Scale. This paragraph is proposed to be relocated from current § 1.84(e) and § 1.84(i) and to be revised to indicate that the words "actual size" or "scale 1/2" on the drawings are not permitted since the meaning is lost in reduction/enlargement; and to provide that elements of the same view must be in proportion to each other, unless a difference in proportion is indispensable for the clarity of the view. As a preferred alternative to a difference in proportion within regularly parallel oblique strokes which precludes use illustration of an element from the initial view. When a supplementary view is included, it is recommended that the enlarged element shown in the second view be surrounded by a finely drawn or "dot-dash" circle in the first view pinpointing its location, without obscuring the view.

(l) Character of lines, numbers, and letters. This paragraph is proposed to be relocated from current § 1.84(c) and to be revised to show that lines and strokes of different thicknesses may be used in the same drawing where different thicknesses have different meanings. In addition, this paragraph is proposed to be changed and broadened to indicate that all drawings must be made by a process which will give them satisfactory reproduction characteristics.

(m) Shading. This paragraph is proposed to be changed and broadened to expand definitions for shading and to delete the limitation that drawings transmitted to the Office should be sent flat, protected by a sheet of heavy binder's board, or may be rolled for transmission in a suitable mailing tube. This proposed change would provide the individual practitioner with greater discretion on how to send drawings. In addition, this paragraph is proposed to be relocated from current § 1.84(d) to separate shading requirements from hatching requirements by stating that shading may be used to indicate the surface or shape of spherical, cylindrical, and conical elements of an object, and that spaced lines are preferred for shading purposes. Solid black areas are not permitted, except when used to represent bar graphs or color.

(n) Symbols. This paragraph is proposed to be relocated from current § 1.84(g) to separate symbols requirements from legends requirements and to enlarge the number of acceptable symbols. Known devices should be illustrated by symbols which have a universally-recognized meaning, and which are generally accepted in the art, provided no further detail is essential for understanding the subject matter of the claimed invention. All symbols must be approved by the examiner. Other symbols may be used if they are not likely to be confused with existing conventional symbols and if they are readily identifiable.

(o) Legends. This paragraph is proposed to be relocated from current § 1.84(g) to separate legends requirements from symbols requirements and to be revised to integrate international standards. Where text matter is deemed indispensable for understanding the drawing, a minimum of words should be used. Words should not be used to describe the figure itself, such as "this is a bar graph." All text legends must be approved by the examiner.

(p) Numbers, letters, and reference characters. This paragraph is proposed to be relocated from current § 1.84(f) and to be revised to include numbers and letters in the heading formerly designated "reference characters." This section has been reformatted into five subsections and revised to integrate international standards, where possible. Although the Latin alphabet is used in the international standard, the Office takes the view that the English alphabet is more universally acceptable for letters, except where another alphabet is customarily used, such as the Greek alphabet to indicate angles, wavelengths, and mathematical formulas. In addition, the characters used must be oriented in the same direction as the view so as to avoid having to rotate the sheet. Reference characters should be so arranged to follow the profile of the object depicted.

(q) Lead lines. This paragraph is proposed to integrate international standards, to incorporate brief language which appears in current § 1.84(f), and to change and expand the definition for lead lines. Lead lines are those lines between the reference characters and the details referred to, and they must be executed in the same way as other lines in the drawing.

(r) Arrows. This paragraph is proposed to be relocated from current § 1.84(g) and to be revised to indicate the meaning of the use of arrows, and to show that they may be used at the end of lead lines only if their meaning is clear.

(s) Copyright or mask work notice. This paragraph is proposed to be relocated from current § 1.84(o).

(t) Numbering of sheets of drawings. This paragraph is proposed to be relocated from current § 1.84(n) and to be changed and broadened to allow for the placement of sheet numbers within the sight of the drawing. It is preferable that the sheets be numbered with two Arabic numerals placed on either side of an oblique line, with the first number being the sheet number and the second the total number of sheets of drawings.

(u) Numbering of views. This paragraph is proposed to be relocated from current § 1.84(i) and, for clarity, to be separately identified in this new section. Use of the abbreviation "FIG." must precede all view numbers.

(v) Security markings. This paragraph is proposed to be relocated from current § 1.84(1) to provide that security markings may be placed on the drawings if they are outside the sight and preferably centered in the top margin.

(w) Corrections. This paragraph is proposed to provide that any corrections made on drawings submitted to the Office must be durable and permanent. The language is revised from current § 1.84(a) which prohibits the use of white pigment to cover lines.

(x) Holes. This paragraph is proposed to be relocated from current § 1.84(b) to permit two holes to be punched in the top margin of the drawings with their centerlines spaced 7.0 cm. (2 3/4 inches) apart.

Section 1.88 is proposed to be removed and reserved since the changes effective January 1, 1991, in § 1.85(b) make the regulation regarding the transfer of drawings unnecessary. Since the Office no longer releases drawings from patent applications, generally applicants are retaining the master copy of the drawings. Accordingly, applicants can easily file a copy of drawings in an application and therefore eliminate the need for the office to transfer drawings. Any situations which prevent a hardship to applicants may be accommodated by the filing of a petition under § 1.182 requesting the transfer of the drawings.

Section 1.123 prescribes procedures for amending drawings. With the adoption of new rules for amending drawings effective January 1, 1989, the Office no longer requires the submission of formal drawings upon filing a patent application. See 1097 *Off. Gaz. Pat. Office* 36 (Dec. 13, 1988). Since corrections are the responsibility of the applicant, the original drawing(s) should be retained by the applicant for future correction, if necessary.

As a result of adoption of the new rules in 1989 relating to drawings, the Office will no longer release to applicants, bonded drafting companies or others, drawings from patent applications. Effective January 1, 1991, § 1.85(b) prohibits release of drawings from all patent applications. Accordingly, it is proposed that the reference to changes by bonded draftsmen be deleted from § 1.123.

Section 1.152 is proposed to be revised to provide that photographs and ink drawings must not be combined in one design application. The reason for this requirement is to avoid inconsistencies between the photograph and the drawing, and further eliminate views that may distort the proportionate relationship between the corresponding elements on the drawing and the photograph. It is also proposed that all design photographs be limited to the design claimed and not include environmental structure. It is proposed that color drawings and color photographs not be permissible in design patent applications. Solid black surface shading is inappropriate on a design drawing, but is acceptable when used to represent color contrast.

Section 1.165 is proposed to be revised to provide that plant patent drawings must comply with the requirements of § 1.84. It is proposed that the current exception that plant patent drawings do not automatically require view numbers and reference characters be maintained. It is also proposed that mounted color photographs would not be acceptable in plant patent applications.

Other Considerations:

The proposed rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The

principal impact of these proposed changes is to revise and reformat the drawing standards to adopt international standards, to the extent possible, and to facilitate access to sections through inclusion of pertinent subsection headings, which should be helpful to small entities.

The Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individuals, industries, Federal, state or local government agencies, or geographic regions because most of the proposed changes reduce procedural burdens. There will be no adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These proposed rule changes contain a collection of information requirements subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, which has previously been approved by the Office of Management and Budget under Control No. 0651-0011.

List of Subjects. 37 CFR Part 1

Administrative practice and procedure, Authority delegation (Government agencies), Courts, Freedom of Information, Inventions and patents, Lawyers, Small businesses.

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. § 6, the Office proposes to amend 37 CFR Part 1 as follows, wherein deletions are indicated by brackets ([]), and additions are indicated by arrows (► ◄), except for § 1.84 where the entire section has been revised:

Part 1 - Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.17(h) is proposed to be revised to read as follows:

§ 1.17 Patent application processing fees.

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph\$130.00

§ 1.47—for filing by other than all the inventors or a person not the inventor.

§ 1.48—for correction of inventorship. ► § 1.84—for accepting color drawings or photographs. ◄

§ 1.182—for decision on questions not specifically provided for.

§ 1.183—to suspend the rules.

§ 1.295—for review of refusal to publish a statutory invention registration.

§ 1.377—for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent.

§ 1.378(e)—for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent.

§ 1.644(e)—for petition in an interference.

§ 1.644(f)—for request for reconsideration of a decision on petition in an interference.

§ 1.666(c)—for late filing of interference settlement agreement.

§§ 5.12, 5.13, & 5.14—for expedited handling of a foreign filing license.

§ 5.15—for changing the scope of a license.

§ 5.25—for retroactive license.

3. Section 1.19(a)(3) is proposed to be revised to read as follows:

§ 1.19 Document supply fees.

(a) Uncertified copies of patents:

(3) Copy of a utility patent or statutory invention registration containing color drawing (see § 1.84(p)►a)(2)◄)
\$24.00

4. Section 1.71(d) is proposed to be revised to read as follows:

§ 1.71 Detailed description and specification of the invention.

(d) A copyright or mask work notice may be placed in a design or utility patent application adjacent to copyright and mask work material contained therein. The notice may appear at any appropriate portion of the patent application disclosure. For notices in drawings, see § 1.84([o]►s◄). The content of the notice must be limited to only those elements ►provided for◄ [required] by law. For example, "©1983 John Doe" (17 U.S.C. 401) and "©M* John Doe" (17 U.S.C. 909) would be properly limited and, under current statutes, legally sufficient notices of copyright and mask work, respectively. Inclusion of a copyright or mask work notice will be permitted only if the authorization language set forth in paragraph (e) of this section is included at the beginning (preferably as the first paragraph) of the specification.

5. Section 1.84 is proposed to be revised to read as follows:

§ 1.84. Standards for drawings.

►(a) *Drawings.* There are two acceptable categories for presenting drawings in utility patent applications:

(1) *Black ink.* Black and white drawings are normally required. India ink, or its equivalent in quality, must be used for drawings to secure black solid lines.

(2) *Color.* On rare occasions, color drawings may be necessary as the only practical medium by which to disclose the subject matter sought to be patented in utility patent applications or to be the subject matter of a Statutory Invention Registration (SIR). The Patent and Trademark Office will accept color drawings in utility patent applications and SIR's only after granting a petition filed under this paragraph explaining why the color drawings are necessary. Any such petition must include the following:

(i) The appropriate fee set forth in § 1.17(h);

(ii) Five (5) sets of color drawings on 21.0 by 29.7 cm. (DIN size A4) sheets; and

(iii) If the specification does not address color drawings, the following language is to be inserted as the first paragraph in that portion of the specification relating to the brief description of the drawing:

The file of this patent contains at least one drawing executed in color. Copies of this patent with color drawing(s) will be provided by the Patent and Trademark Office upon request and payment of the necessary fee.

If the above language is not in the specification, a proposed amendment to insert the language must accompany the petition.

(b) *Photographs.*

(1) *Black and white.* Photographs are not ordinarily permitted in utility and design patent applications. However, the Office

will accept photographs in utility and design patent applications only after granting a petition, filed under this paragraph which requests that photographs be accepted. Any such petition must include the following:

(i) The appropriate fee set forth in § 1.17(h); and

(ii) Five (5) sets of photographs on 21.0 by 29.7 cm. (DIN size A4) sheets. Photographs must be developed on double weight photographic paper. Mounted photographs are not acceptable. No more than one photograph per sheet will be permitted. The photographs must be of sufficient quality so that all details in the drawing are reproducible in the printed patent.

(2) *Color.* Color photographs will be accepted in utility patent applications if the conditions for accepting color drawings have been satisfied. See paragraph (a)(2) of this section.

(c) *Identification of drawings.* Identifying indicia, if provided, should include the application number or the title of the invention, inventor's name, docket number (if any), and the name and telephone number of a person to call. This information should be placed on the back of each sheet of drawings a minimum distance of 1.5 cm. (5/8 inch) down from the top of the page.

(d) *Graphic forms in drawings.* Chemical or mathematical formulae, tables, and waveforms may be submitted as drawings, and are subject to the same requirements as drawings. Each chemical or mathematical formula must be labeled as a separate figure, using brackets when necessary, to show that information is properly integrated. Each group of waveforms must be presented as a single figure, using a common vertical axis with time extending along the horizontal axis. Each individual waveform discussed in the specification must be identified with a separate letter designation adjacent to the vertical axis.

(e) *Type of paper.* Drawings submitted to the Office must be made upon paper which is flexible, strong, white, smooth, non-shiny, and durable. All sheets must be free from cracks, creases, and folds. Only one side of the sheet shall be used for the drawing. Each sheet must be reasonably free from erasures and must be free from alterations, overwritings, and interlineations. Photographs must be on double weight photographic paper. See paragraph (b) of this section for other requirements for photographs.

(f) *Size of paper.* All drawing sheets in an application must be the same size, except that color drawings or photographs which are required to be DIN size A4 may differ in size from the other sheets. One of the shorter sides of the sheet is regarded as its top. The size of the sheets on which drawings are made must be:

(1) 21.6 cm. by 35.6 cm. (8 1/2 by 14 inches),

(2) 21.6 cm. by 33.1 cm. (8 1/2 by 13 inches), or

(3) 21.0 cm. by 29.7 cm. (DIN size A4).

(g) *Margins.* The sheets must not contain frames around the sight, i.e., the usable surface.

(1) On 21.6 cm. by 35.6 cm. (8 1/2 by 14 inch) drawing sheets, each sheet must include a top margin of 5.1 cm. (2 inches), and bottom and side margins of 6.4 mm. (1/4 inch) from the edges, thereby leaving a sight precisely 20.3 cm. by 29.8 cm. (8 by 11 3/4 inches).

(2) On 21.6 cm. by 33.1 cm. (8 1/2 by 13 inch) drawing sheets, each sheet must include a top margin of 2.5 cm. (1 inch) and bottom and side margins of 6.4 mm. (1/4 inch) from the edges, thereby leaving a sight precisely 20.3 cm. by 29.8 cm. (8 by 11 3/4 inches).

(3) On 21.0 cm. by 29.7 cm. (DIN size A4) drawing sheets, each sheet must include a top margin of at least 2.5 cm., a left side margin of 2.5 cm., a right side margin of 1.5 cm., and a bottom margin of 1.0 cm., thereby leaving a sight precisely 17.0 cm. by 26.2 cm.

(h) *Views.* The drawing must contain as many views as necessary to show the invention. The views may be plan, elevation, section, or perspective views; and detail views of portions of elements, on a larger scale, if necessary, may also be used. All views of the drawing must be grouped together and arranged on the sheet(s) without wasting space, preferably in an upright position, clearly separated from one another, and must not be included in the sheets containing the specifications, claims, or abstract. Views must not be connected by projection lines and must not contain center lines. Waveforms of electrical signals may be connected by dashed lines to show the relative timing of the waveforms.

(1) *Exploded views.* Exploded views, with the separated parts of the same view embraced by a bracket, to show the relationship or order of assembly of various parts are permissible. When an exploded view is shown in a figure which is on the same sheet as another figure, the exploded view should be placed in brackets.

(2) *Partial views.* When necessary, a view of a large machine or device in its entirety may be broken into partial views on a single sheet, or extended over several sheets if there is no loss in facility of understanding the view. Partial views drawn on separate sheets must always be capable of being linked edge to edge so that no partial view contains parts of another partial view. A smaller scale view should be included showing the whole formed by the partial views and indicating the positions of the parts shown. When a portion of a view is enlarged for magnification purposes, the view and the enlarged view must each be labeled as separate views.

(i) Where views on two or more sheets form in effect a single complete view, the views on the several sheets must be so arranged that the complete figure can be assembled without concealing any part of any of the views appearing on the various sheets.

(ii) A very long view may be divided into several parts placed one above the other on a single sheet. However, the relationship between the different parts must be clear and unambiguous.

(3) *Sectional views.* The plane upon which a sectional view is taken should be indicated on the view from which the section is cut by a broken line, the ends of which should be designated by Arabic or Roman numerals corresponding to the view number of the sectional view, and have arrows applied to indicate the direction of sight. Hatching must be used to indicate section portions of an object, and must be made by regularly spaced oblique parallel lines spaced sufficiently apart to enable the lines to be distinguished without difficulty. Hatching should not impede the clear reading of the reference characters and lead lines. If it is not possible to place reference characters outside the hatched area, the hatching may be broken off wherever reference characters are inserted. Hatching must be at a substantial angle to the surrounding axes or principal lines, preferably 45°. A cross-section must be set out and drawn to show all of the materials as they are shown in the view from which the cross-section was taken. The parts in cross-section must show proper material(s) by hatching with regularly spaced parallel oblique strokes, the space between strokes being chosen on the basis of the total area to be hatched. The various parts of a cross-section of the same item should be hatched in the same manner and should accurately and graphically indicate the nature of the material(s) that is illustrated in cross section. The hatching of juxtaposed different elements must be angled in a different way. In the case of large areas, hatching may be confined to an edging drawn around the inside of the outline of the area to be hatched. Different types of hatching should have different conventional meanings as regards the nature of a material seen in cross-section.

(4) *Alternate position.* A moved position may be shown by a broken line superimposed upon a suitable view if this can be done without crowding; otherwise, a separate view must be used for this purpose.

(5) *Modified forms.* Modified forms of construction must be shown in separate views.

(i) *Arrangement of views.* One view must not be placed upon another or within the outline of another. All views on the same sheet should stand in the same direction and, if possible, stand so that they can be read with the sheet held in an upright position. If views longer than the width of the sheet are necessary for the clearest illustration of the invention, the sheet may be turned on its side so that the top of the sheet, with the appropriate top margin to be used as the heading space, is on the right-hand side. Words must appear in a horizontal, left-to-right fashion when the page is either upright or turned so that the top becomes the right side, except for graphs utilizing standard scientific convention to denote the axis of abscissas (of X) and the axis of ordinates (of Y).

(j) *View for Official Gazette.* One of the views should be suitable for publication in the *Official Gazette* as the illustration of the invention.

(k) *Scale.*

(l) The scale to which a drawing is made must be large enough to show the mechanism without crowding when the

drawing is reduced in size to two-thirds in reproduction. Views of portions of the mechanism on a larger scale should be used when necessary to show details clearly. Two or more sheets may be used if one does not give sufficient room. The number of sheets should be kept to a minimum.

(2) When approved by the examiner, the scale of the drawing may be graphically represented. Indications such as "actual size" or "scale 1/2" on the drawings, are not permitted, since these lose their meaning with reproduction in a different format.

(3) Elements of the same view must be in proportion to each other, unless a difference in proportion is indispensable for the clarity of the view. Instead of showing elements in different proportion, a supplementary view may be added giving a larger-scale illustration of the element of the initial view. It is recommended that the enlarged element shown in the second view be surrounded by a finely drawn or "dot-dash" circle in the first view pinpointing its location without obscuring the view.

(l) *Character of lines, numbers, and letters.* All drawings must be made by a process which will give them satisfactory reproduction characteristics. Every line, number, and letter must be durable, clean, sharp, black (except for color drawings), sufficiently dense and dark, and uniformly thick and well-defined. The weight of all lines and letters must be heavy enough to permit adequate reproduction. This direction applies to all lines however fine, to shading, and to lines representing cut surfaces in sectional views. Lines and strokes of different thicknesses may be used in the same drawing where different thicknesses have a different meaning.

(m) *Shading.* The use of shading in views is encouraged if it aids in understanding the invention and if it does not reduce legibility. Shading is used to indicate the surface or shape of spherical, cylindrical, and conical elements of an object. Flat parts may also be lightly shaded. Such shading is preferred in the case of parts shown in perspective, but not for cross-sections. Spaced lines for shading are preferred. These lines must be thin, as few in number as practicable, and they must contrast with the rest of the drawings. As a substitute for shading, heavy lines on the shade side of objects can be used except where they superimpose on each other or obscure reference characters. Light should come from the upper left corner at an angle of 45°. Surface delineations should preferably be shown by proper shading. Solid black shading areas are not permitted, except when used to represent bar graphs or color.

(n) *Symbols.* Graphical drawing symbols may be used for conventional elements when appropriate, subject to approval by the Office. The elements for which such symbols and labeled representations are used must be adequately identified in the specification. Known devices should be illustrated by symbols which have a universally-recognized conventional meaning and are generally accepted in the art provided no further detail is essential for understanding the subject matter of the claimed invention. Other symbols may be used if they are not likely to be confused with existing conventional symbols, and if they are readily identifiable.

(o) *Legends.* Suitable descriptive legends may be used, subject to approval by the Office. They should contain as few words as possible.

(p) *Numbers, letters, and reference characters.*

(1) Reference characters (numerals are preferred), sheet numbers, and view numbers must be plain and legible, and must not be used in association with brackets, inverted commas, or enclosed within outlines, e.g., encircled. They must be oriented in the same direction as the view so as to avoid having to rotate the sheet. Reference characters should be arranged to follow the profile of the object depicted.

(2) The English alphabet must be used for letters, except where another alphabet is customarily used, such as the Greek alphabet to indicate angles, wavelengths, and mathematical formulas.

(3) Numbers, letters, and reference characters must measure at least 3.2 mm. (1/8 inch) in height. They should not be placed in the drawing so as to interfere with its comprehension. Therefore, they should not cross or mingle with the lines. They should not be placed upon hatched or shaded surfaces. When necessary, a blank space may be left in the hatching or shading where the character occurs so that it appears perfectly distinct.

(4) The same part of an invention appearing in more than one view of the drawing must always be designated by the same reference character, and the same reference character must never be used to designate different parts.

(5) Reference characters not mentioned in the description shall not appear in the drawings. Reference characters mentioned in the description must appear in the drawings.

(q) *Lead lines.* Lead lines are those lines between the reference characters and the details referred to. Such lines may be straight or curved and should be as short as possible. They must originate in the immediate proximity of the reference character and extend to the feature indicated. Lead lines must not cross each other. Lead lines are required for each reference character except for those which indicate the surface or cross-section on which they are placed. Such a reference character must be underlined to make it clear that a lead line has not been left out by mistake. Lead lines must be executed in the same way as lines in the drawing.

(r) *Arrows.* Arrows may be used at the ends of lines, provided that their meaning is clear, as follows:

(1) On a lead line, a freestanding arrow to indicate the entire section towards which it points;

(2) On a lead line, an arrow touching a line to indicate the surface shown by the line looking along the direction of the arrow; or

(3) To show the direction of movement.

(s) *Copyright or Mask Work Notice.* A copyright or mask work notice may appear in the drawing, but must be placed within the sight of the drawing immediately below the figure representing the copyright or mask work material and be limited to letters having a print size of 3.2 mm. to 6.4 mm. (1/8 to 1/4 inches) high. The content of the notice must be limited to only those elements provided for by law. For example, "©1983 John Doe" (17 U.S.C. 401) and "©M* John Doe" (17 U.S.C. 909) would be properly limited and, under current statutes, legally sufficient notices of copyright and mask work, respectively. Inclusion of a copyright or mask work notice will be permitted only if the authorization language set forth in § 1.71(e) is included at the beginning (preferably as the first paragraph) of the specification.

(t) *Numbering of sheets of drawings.* The sheets of drawings should be numbered in consecutive Arabic numerals within the sight as defined in paragraph (g) of this section. These numbers, if present, must be placed in the middle of the top of the sheet, but not in the margin. The numbers can be placed on the right-hand side if the drawing extends too close to the middle of the top edge of the usable surface. The drawing sheet numbering must be clear and larger than the numbers used as reference characters to avoid confusion. Sheets of drawings must be paginated from 1 onward. The number of each sheet should be shown by 2 Arabic numerals placed on either side of an oblique line, with the first being the sheet number, and the second being the total number of sheets of drawings, with no other marking.

(u) *Numbering of views.*

(1) The different views must be numbered in Arabic numerals consecutively, starting with 1, independent of the numbering of the sheets and, if possible, in the order in which they appear on the drawing sheet(s). Partial views intended to form one complete view, on one or several sheets, must be identified by the same number followed by a capital letter. View numbers must be preceded by the abbreviation "FIG." Where a single view is used to illustrate the claimed invention, it must not be numbered and the abbreviation "FIG." must not appear.

(2) Numbers and letters identifying the views must be simple and clear and must not be used in association with brackets, circles, or inverted commas. The view numbers must be larger than the numbers used for reference characters.

(v) *Security markings.* Authorized security markings may be placed on the drawings provided they are outside the sight, preferably centered in the top margin.

(w) *Corrections.* Any corrections on drawings submitted to the Office must be durable and permanent.

(x) *Holes.* The drawing sheets may be provided with 2 holes in the top margin. The holes should be equally spaced from the respective side edges, and their centerlines should be spaced 7.0 cm. (2 3/4 inches) apart. (See § 1.152 for design drawings, § 1.165 for plant drawings, and § 1.174 for reissue drawings.)

6. Section 1.88 is proposed to be removed and reserved as follows:

§ 1.88 [Reserved] [Use of old drawings.]

[If the drawings of a new application are to be identical with the drawings of a previous application of the applicant on file in the Office, or with part of such drawings, the old drawings or any sheets thereof may be used if the prior application is, or is about to be, abandoned, or if the sheets to be used are cancelled in the prior application. The new application must be accompanied by a letter requesting the transfer of the drawings, which should be completely identified.]

7. Section 1.123 is proposed to be revised to read as follows:

§ 1.123 Amendments to the drawing.

No change in the drawing may be made except by permission of the Office. Permissible changes in the construction shown in any drawing may be made only by [bonded draftsmen, at applicants expense, or by] the submission of [a substitute [drawings] drawing] by applicant. A sketch in permanent ink showing proposed changes, to become part of the record, must be filed for approval by the examiner and should be a separate paper.

8. Section 1.152 is proposed to be revised to read as follows:

§ 1.152 Design Drawing.

The design must be represented by a drawing that complies [made in conformity] with the requirements of § 1.84 [rules laid down for drawings of mechanical inventions], and must contain a sufficient number of views to constitute a complete disclosure of the appearance of the article. Appropriate surface shading must be used to show the character or contour of the surfaces represented. Solid black surface shading is not permitted except when used to represent color contrast. Broken lines may be used to show visible environmental structure, but may not be used to show hidden planes and surfaces which cannot be seen through opaque materials. Alternate positions of a design component, illustrated by full and broken lines in the same view are not permitted in a design drawing. Photographs and ink drawings must not be combined in one application. Photographs submitted in lieu of ink drawings in design patent applications must comply with § 1.84(b) and must not disclose environmental structure but must be limited to the design claimed. Color drawings and color photographs are not permitted in design patent applications.

9. Section 1.165 is proposed to be revised to read as follows:

§ 1.165 Plant Drawings.

(a) Plant patent drawings [are not mechanical drawings and] should be artistically and competently executed. [Figure] and must comply with the requirements of § 1.84. View numbers and reference characters need not be employed unless required by the examiner. The drawing must disclose all the distinctive characteristics of the plant capable of visual representation.

(b) The drawing may be in color and when color is a distinguishing characteristic of the new variety, the drawing must be in color. Two copies of color drawings or color photographs must be submitted. [Color drawings may be made either in permanent water color or oil, or in lieu thereof may be photographs made by color photography or properly colored on sensitized paper. Permanently mounted color photographs are acceptable. The paper in any case must correspond in size, weight and quality to the paper required for other drawings. See § 1.84.]

Sept. 9, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and
Acting Commissioner
of Patents and Trademarks

(81) Use of Symbol "Ø" in Patent Applications

The Greek letter Phi has long been used as a symbol in equations in all technical disciplines. It further has special uses which include the indication of an electrical phase or clocking signal as well as an angular measurement. The recognized symbols for the upper and lower case Greek Phi characters, however, do not appear on most typewriters. This apparently has led to the use of a symbol composed by first striking a zero key and then backspacing and striking the "cancel" or "slash" key to result in "Ø" which is an approximation of accepted symbols for the Greek character Phi. In other instances the symbol is composed using the upper or lower case letter "O" with the "cancel" or "slash" superimposed thereon by backspacing or is simply handwritten in a variety of styles. These expedients result in confusion because of the variety of type sizes and styles available on modern typewriters.

In recent years, the growth of data processing has seen the increasing use of this symbol ("Ø") as the standard representation of zero. The "slashed" or "cancelled zero" is used to indicate zero and avoid confusion with the upper case letter "O" in both text and drawings.

Thus, when the symbol "Ø" in one of its many variations, as discussed above, appears in patent applications being prepared for printing, confusion as to the intended meaning of the symbol arises. Those (such as examiners, attorneys, and applicants) working in the art can usually determine the intended meaning of this symbol because of their knowledge of the subject matter involved, but editors preparing these applications for printing have no such specialized knowledge and confusion arises as to which symbol to print. The result, at the very least, is delay until the intended meaning of the symbol can be ascertained.

Since the Office does not have the resources to conduct a technical editorial review of each application before printing, and in order to eliminate the problem of printing delays associated with the usage of these symbols, any questions about the intended symbol will be resolved by the editorial staff of the Office of Publications by printing the symbol "Ø" whenever that symbol is used by the applicant. Any Certificate of Correction necessitated by the above practice will be at the patentee's expense (37 CFR 1.323) because the intended symbol was not accurately presented by the Greek upper or lower case Phi letters (Î, Ø) in the patent application.

RICHARD J. SHAKMAN,
*Assistant Commissioner
for Administration.*

Dec. 20, 1978.

[978 O.G. 152]

**(82) U.S. Accession to Hague Convention
Abolishing the Requirement of Legalization
for Foreign Public Documents**

On Oct. 15, 1981, the Hague "Convention Abolishing the Requirement of Legalization for Foreign Public Documents" entered into force between the United States and twenty-eight foreign countries that are parties to the Convention. The Convention applies to any document submitted to the United States Patent and Trademark Office for filing or recording, which is sworn to or acknowledged by a notary public in any one of the member countries. The Convention abolishes the certification of the authority of the notary public in a member country by a diplomatic or consular officer of the United States and substitutes certification by a special certificate, or apostille, executed by an officer of the member country. Accordingly, the Office will accept for filing or recording a document sworn to or acknowledged before a notary public in a member country if the document bears, or has appended to it, an apostille certifying the notary's authority. The requirement for a diplomatic or consular certificate, specified in 37 CFR 1.66 and note 1 of 37 CFR 3.45, will not apply to a document sworn to or acknowledged before a notary public in a member country if an apostille is used.

The member countries that are parties to the Convention are:

Austria	Italy	Spain
Bahamas	Japan	Suriname

Belgium	Lesotho	Swaziland
Botswana	Liechtenstein	Switzerland
Cyprus	Luxembourg	Tonga
Fiji	Malawi	U.K. of Great
France	Malta	Britain and
Germany	Mauritius	N. Ireland
Fed. Rep. of	Netherlands	United States
Hungary	Portugal	Yugoslavia
Israel	Seychelles	

The Convention prescribes the following form for the apostille:

Model of certificate

The certificate will be in the form of a square with sides at least 9 centimetres long

APOSTILLE
(Convention de La Haye du Oct. 5, 1961)

1. Country:
This public document
2. has been signed by
3. acting in the capacity of
4. bears the seal/stamp of

Certified

5. at
6. the
7. by
8. No
9. Seal/stamp:
10. Signature:

Nov. 5, 1981.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1013 O.G. 3]

(83) Simulated or Predicted Tests or Examples

In order to provide for uniform practice before the Patent and Trademark Office, the following clarification of current Office practice relating to simulated or predicted tests or examples is being set forth. This notice specifies the Office policy which is currently in effect and is considered to have been in effect in the past in this area. The wording of the MPEP provisions prior to this amendment went further than was intended. The amended sections below spell out more clearly the Office's position from the start.

The following wording will be substituted in revision number 8 for that presently in paragraph D of section 608.01(p) of the Manual of Patent Examining Procedure.

MPEP § 608.01(p)

**"D. Simulated or Predicted Test Results
or Prophetic Examples**

Simulated or predicted test results and prophetic examples (paper examples) are permitted in patent applications. Working examples correspond to work actually performed and may describe tests which have actually been conducted and results that were achieved. Paper examples describe the manner and process of making an embodiment of the invention which has not actually been conducted. Paper examples should not be represented as work actually done. No results should be represented as actual results unless they have actually been achieved. Paper examples should not be described using the past tense.

The first and last paragraphs of MPEP section 707.07(1) are being deleted.

DONALD J. QUIGG,
*Deputy Commissioner
of Patents and Trademarks*

Apr. 15, 1982.

[1018 O.G. 27]

(84)

**Department of Commerce
Patent and Trademark Office
37 CFR Part 1 [Docket No. 71008-7208]**

**Variety Denomination Requirements
for Plant Patent Applications**

Agency: Patent and Trademark Office, Commerce.

Action: Notice of proposed rulemaking.

Summary: The Patent and Trademark Office proposes to amend certain of the rules of practice applicable to the patenting of plants. Under the proposed rules of practice, an applicant for such a patent would, in addition to any requirements for obtaining a patent, also be required to record an identifying variety denomination for the plant. These proposed rules fulfill an obligation imposed by the Convention of the International Union for the Protection of New Plant Varieties (the UPOV Convention), to which the United States adheres.

Dates: Comments on the proposed rules must be submitted by Jan. 8, 1988, to assure their consideration in formulating the rules put into effect. A public hearing will be held on Jan. 15, 1988, beginning at 9:30 A.M., in the Commissioner's Conference Room, Crystal Plz. 3, the Patent and Trademark Office.

Addresses: Address comments to the Commissioner of Patents and Trademarks, Box 4, Washington, D.C. 20231. All comments received will be publicly available in the Patent and Trademark Office, Crystal Plz. 3, Arlington, Va., Rm. 11C28.

For Further Information Contact: Mr. Stanley D. Schlosser, Office of Legislation and International Affairs, by telephone at (703) 557-3065 or by mail addressed to the Commissioner of Patents and Trademarks, Box 4, Washington, D.C. 20231.

Supplementary Information: The UPOV Convention became applicable to the United States on Nov. 8, 1981, as a consequence of the President's exercise of authority to adhere to this international agreement. Under Articles 6 and 13 of the UPOV Convention, each plant variety for which protection is sought must be given a variety denomination and that denomination recorded ("registered" in the language of the Convention) at least by the time the patent is granted. It is left to each of the UPOV member states to determine how recordation is effected. For the United States, the issuance of a patent which includes the denomination of the variety would constitute recordation and registration for the purposes of compliance with UPOV Convention. The patent examining process would include consideration of the suitability for recordation of the proposed variety denomination.

Attention is called to two earlier Commissioner's Notices on this subject. The Notice of Oct. 20, 1981 (46 FR 51426) stated that appropriate rules for the registration of variety denominations, as required by the UPOV Convention, would be issued. The Commissioner's Notice, published in the Federal Register on Aug. 16, 1985, 50 FR 33062, proposed amendments to the Patent and Trademark Office's rules of practice to carry out this requirement. In light of public comments received, the earlier proposed rules are being withdrawn from consideration and replaced by these revised proposed rules. These would apply to plants patented under either 35 U.S.C. 101 or 161, but would not apply to any protection sought under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.), administered by the United States Department of Agriculture.

These proposed rules, in accordance with the patent law requirements for providing a descriptive title for a patent application, would require the variety denomination proposed for recordation to be included in the title of the application. The denomination would be judged for recordability by the examiner assigned the application for examination, who would consult with appropriate trademark examination officials to determine if there exists a possibly conflicting trademark registration or application for registration.

The recordation of a variety denomination for purposes of compliance with UPOV Convention Article 13 is not to be understood as conveying any legal rights in that denomination. Recordation does no more than establish a prima facie case that can be asserted as evidence of the possible generic nature of the variety denomination, if genericness is not already established by its usage in the commercial market, advertising or publication.

Under the proposed rules, the Patent and Trademark Office in examining the recordability of variety denominations will,

in addition to its trademark records, utilize the Office's compilation of denominations obtained from horticultural, agricultural, floral and other professional societies, national breeders' rights offices, the UPOV Union's Secretariat, standard references and other available sources. Article 13 of the UPOV Convention requires that the variety denomination must enable the plant variety to be identified, that the denomination not consist solely of numbers except if this is shown to be an established practice for designating plant varieties, and that the denomination not be liable to mislead or cause confusion concerning the characteristics, value or identity of the variety or the identity of the breeder. No specific naming system is required by the Article. While a portion of the consuming public and others might prefer plant variety names conforming to the International Code of Nomenclature for Cultivated Plants or the UPOV Guidelines, common usage, code systems or other ways of identifying plants cannot be ignored.

The Patent and Trademark Office would accept for recordation a variety denomination complying with the requirements of the UPOV Convention's Articles 13(2) and 13(4). A number of variety denomination systems currently in use, such as the system described in the 1980 revision of the International Code of Nomenclature for Cultivated Plants, the UPOV Guidelines and various code systems may also meet these requirements. Sexually reproduced varieties could be named in compliance with the requirements of the Federal Seed Act.

In the event the examiner does not approve a proposed variety denomination for recordation, the applicant could petition the Commissioner for approval. Thus, the examination and approval of variety denominations will be handled in the same way as other procedural and administrative requirements not relating to the merits of the invention, such as the requirement to provide an abstract of the disclosure or the requirement to provide a title. A final refusal by the Commissioner on petition would require submission of another proposed denomination for recordation.

The petition to the Commissioner will be subject to a fee and the other requirements relating to petitions. The Commissioner may in appropriate cases delegate to the Assistant Commissioner for Trademarks or other appropriate trademark officials the decision of such petitions, under 37 C.F.R. 1.181(g).

The UPOV Convention requires the applicant to identify the patented variety by the same variety denomination (or a translation thereof) in all UPOV member states. A different denomination may be recorded in a particular member state, however, in cases where the denomination registered in another member state is unsuitable for business or other reasons. An applicant may during the course of examination be required to inform the Office of any other denomination by which the variety is known.

While these rules provide for the recordation of variety denominations, they recognize at the same time that, in cases of conflict, previously established proprietary rights are paramount. Recordation is in legal effect, therefore, no more than publication of a denomination which is or may become the generic name of a plant variety.

Trademark owners, owners of other proprietary rights and patent applicants share a common interest in knowing as early as possible if a variety denomination proposed for recordation possibly conflicts with a trademark or other proprietary rights. Accordingly, each denomination proposed for recordation, along with the genus and species to which the variety belongs, shall be published in the *Official Gazette* as soon as reasonably possible after receipt of the application in the Office. The Commissioner has determined that publication of such information constitutes special circumstances under 35 U.S.C. 122.

The public may provide information to the Office concerning the recordability of a proposed denomination. Such information would be entered in the official file wrapper of the application and be available to the examiner. Such information shall be called to the attention of the applicant by the Office.

Also, the *Official Gazette* would list newly recorded denominations in United States patents in order for trademark owners to assert their rights in appropriate cases through private negotiations or judicially, as they may now do in trademark cases. Proceedings in the Office in regard to the registration of variety denominations, however, will be conducted ex parte.

Under the proposed rules, each applicant would be required to specify in an application for protection of a plant variety the date of first use of the denomination if used prior to filing of

the patent application, or later to provide information about the date of first commercial use during pendency of the application. In cases of conflict between a trademark and a proposed variety denomination, the variety denomination will not be accepted for recordation unless its first commercial use clearly antedates another's established rights.

If a patentee learns of a conflict between a trademark and the recorded variety denomination after issuance of the patent, the patentee in order to resolve the conflict will be permitted to record a different denomination by means of the Certificate of Correction procedure. Also, a variety denomination found after issuance of a patent to be commercially unsuitable or ill-advised could be changed in a similar manner.

The Office now permits plants and plant varieties to be patented both specifically and broadly under patent 35 U.S.C. 101. In some cases, however, claims in an application will not be limited to a specific variety. These proposed rules would apply only to applications where a specific variety or varieties are claimed. Only these need be identified by a variety denomination, except where the number of varieties involved makes this impractical. In such a case, each claim directed to a specific variety would include its variety denomination, but these variety denominations could be omitted from the title of the patent. Variety denominations would not be required for microorganisms or microscopic plant parts.

Other Considerations: The proposed rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. This rule contains a collection of information requirement subject to the Paperwork Reduction Act. This collection of information requirement has been cleared by OMB under control No. 0651-0011.

The General Counsel of the Department Commerce has certified to the Small Business Administration that the proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The variety denomination requirement will not impose extra work on patent applicants (whether small or large businesses or individuals). The rules will help avoid burdensome and expensive litigation over trademark rights.

The Patent and Trademark Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Courts, Inventions and patents.

For the reasons set out in the preamble, 37 CFR Part I is proposed to be amended by revising §§ 1.72, and 1.17 and adding a new § 1.168 as set forth below. All proposed additions are printed between arrows.

PART I—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

AUTHORITY: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.17 is proposed to be amended by adding the following items in numerical order to the list in paragraph (h) to read as follows:

§ 1.17 Patent application processing fees.

(h) ***

▶§1.168(d) For petitioning the Commissioner to record a plant variety denomination . . .

§ 1.168(g) For petitioning the Commissioner to record a substitute plant variety denomination . . . ◀

3. Section 1.72 is proposed to be amended by adding the following paragraph:

§ 1.72 Title and abstract.

▶(c) In the case of an application for the patenting of a plant variety under the provisions of 35 U.S.C. 101 or 161, the title of the application must include a variety denomination for the specific new variety claimed, except as provided for in § 1.168(b). The granting of the patent will be deemed the recordation of the variety denomination for purposes of compliance with Article 13 of the International Convention for the Protection of New Varieties of Plants, as revised on Oct. 23, 1978.

4. A new § 1.168 is proposed to be added, to read as follows:

▶§ 1.168 Variety denomination, submission to the Office, examination.

(a) The variety denomination submitted by the patent applicant under § 1.72 will be examined for compliance with the International Convention for the Protection of New Varieties of Plants. Specifically, the denomination:

- (1) must enable the plant variety to be identified;
- (2) must not be likely to cause confusion, to cause mistake or to deceive concerning the characteristics, value or identity of the plant variety or the identity of the breeder;
- (3) must not consist solely of numbers except if this is an established practice for designating plant varieties; and
- (4) must not be likely to cause confusion or mistake or to deceive as to any prior right of a third party, and shall not affect prior rights of third parties.

(b) If a proposed variety denomination is not included as part of the title of the application, when filed, the examiner shall set a period of not less than thirty days to provide a variety denomination. If a plurality of plant varieties are claimed, which make it impractical to include each variety denomination in the title of the application, each claim directed to a specific plant variety shall instead include the denomination of the claimed plant variety. In cases where no specific plant variety is claimed, for example, a patent directed to the improvement of a plant species, the denomination requirement applicable to the patenting of a plant variety or varieties will be waived.

(c) If the examiner determines that a proposed variety denomination is not suitable for recordation, the examiner shall refuse recordation thereof and shall set forth in an Office action the reasons for such refusal. An applicant disagreeing with the reasons for such refusal may request reconsideration and withdrawal of the refusal, giving the reasons therefor. If the examiner's refusal to record a proposed variety denomination is repeated and made final, the examiner shall at the same time require the applicant to propose another variety denomination for recordation.

(d) After a final requirement by the examiner for submission of a proposed new variety denomination, the applicant, in addition to making any response due on the remainder of the action, may in lieu of proposing another variety denomination petition the Commissioner for review of the examiner's holding, upon payment of the fee set forth in § 1.17(h).

(e) The applicant is required to submit for recordation the same variety denomination (or, if not in English, a translation or transliteration thereof) as that previously registered or recorded,

or proposed for registration in an earlier filed application for protection of the same variety in another member state of the International Union for the Protection of New Varieties of Plants. The applicant may submit another denomination for recordation, however, upon a showing satisfactory to the examiner as to why the denomination originally submitted or registered in another member state of the said Union is unsuitable for recordation in the United States. During pendency of an application, the examiner may require the applicant to provide information regarding all denominations for the same variety registered or proposed for registration in other member states of the said Union before the application was filed in the United States.

(f) The applicant shall indicate in the application the date of first commercial use in the United States if any, of the variety denomination proposed for recordation; or, if not commercially used prior to filing of the application, indicate during pendency of the application when the denomination has first been commercially used in this country. No variety denomination will be recorded if first commercially used after the establishment of third party proprietary rights to the denomination.

(g) A patentee in order to avoid a conflict between a recorded variety denomination and a trademark or other proprietary right, or where the recorded variety denomination is likely to be confused with another, or where business or marketing considerations dictate, may propose for recordation a substitute variety denomination for that already recorded. Such a proposal shall be in the form of a petition to the Commissioner together with the fee set forth in § 1.17(h). The proposed substitute denomination will be examined in the same manner as the denomination originally recorded, and upon recordation shall be promptly published in the *Official Gazette*. A Certificate of Correction indicating such substitute denomination shall be issued for the patent. If the patent has been assigned, only the assignee of record may apply for recordation of a substitute denomination.

(h) The Commissioner shall upon its receipt in the Office promptly publish in the *Official Gazette* each variety denomination proposed for recordation and the genus and species of the plant involved. Correspondence from the public objecting to the recordation of such denomination, if accompanied by reasons therefor, will be placed in the official file and considered by the examiner in an ex parte manner. An objection to recordation may be based on an earlier recorded or unrecorded variety denomination, a registered or common law trademark, a trade name or trade indicia, or other alleged prior right timely called to the Office's attention. The applicant shall be notified by the Office of the receipt of such correspondence. The secrecy of any pending application will be preserved in accordance with 35 U.S.C. 122. ◀

RENE TEGTMEYER,
Assistant Commissioner
for Patents

Sept. 18, 1987.

[1085 OG 13]

(85)

DEPARTMENT OF COMMERCE

Patent and Trademark Office
37 CFR Part 1
[Docket Number 90364-0071]
RIN: 0651-AA37

Requirements for patent applications containing nucleotide sequence and/or amino acid sequence disclosures

Agency: Patent and Trademark Office, Commerce

Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is amending its regulations to establish a standardized format for descriptions of nucleotide and amino acid sequence data submitted as a part of patent applications, in conjunction with the required submission of this data in computer readable form. The standardized format is needed to permit proper examination and processing of such applications and to improve quality and efficiency of the examination process, promote conformity with usage of the scientific community, and improve dissemination of sequence data in electronic form. The standard symbols and format for sequence data, and the submission of this data in computer readable form, will be required for most disclosures of nucleotide and amino acid sequence data in patent applications filed after the effective date of the rule change.

Effective Date: October 1, 1990

For Further Information Contact: Lois E. Boland, Special Program Examiner, Office of the Assistant Commissioner for Patents, Crystal Park 2 - Suite 919, by telephone at (703) 557-8384 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Currently, problems exist in the presentation, examination and printing of nucleotide and amino acid sequence data because of the lack of uniformity in submission of sequence data to the PTO and the impracticality of properly searching and examining sequences submitted in paper form. For example, it is impractical for an examiner, searching a particularly lengthy sequence in a non-conforming format, to accurately key the query necessary to search the sequence in a computerized search. Further, the lack of standardized symbol use and standardized format results in a very difficult comparison, on the part of the examiner and the public, of what is claimed in a given patent application and what is disclosed in the prior art. Still further, the number of patent applications containing nucleotide and amino acid sequences is increasing every year. The major examination problems can be attributed to the volume of data and the use of inconsistent paper formats. The lack of consistency in symbols used and formatting requires examiners to attempt to convert the sequence data, as it appears in patent applications, into formats that are consistent with those appearing in the prior art in order to make proper evaluations of the patentability of the inventions claimed in the patent applications. Problems are also encountered in the printing of nucleotide and amino acid sequence data in patents because the data must be rekeyed under current patent printing procedures. This could easily result in the printing of erroneous sequences. In summary, the diversity and complexity of nucleotide and amino acid sequence data result in searching and analysis difficulties both within the PTO and outside the PTO, decreased accuracy of search and reproduction, and increased cost.

The PTO is amending its regulations to establish a standardized format for descriptions of nucleotide and amino acid sequence data submitted as a part of patent applications, in conjunction with the required submission of the data in computer readable form, which would result in the following advantages:

1. Cost savings in input of sequence data;
2. A practical and more accurate sequence search capability;
3. Improved interference detection;
4. More efficient examination;
5. Improved accuracy of printed sequences;
6. Creation of a PTO database of most patent-disclosed sequence data;
7. Improved public data access and dissemination in electronic form;
8. Exchange of published sequence data, in electronic form, with the Japanese Patent Office (JPO) and the European Patent Office (EPO) in a Trilateral Sequence Exchange Project;
9. Conformity with the scientific community; and
10. The encouragement of other government agencies and private vendors to include sequences appearing in patents in their data bases.

In those areas of biotechnology in which nucleotide and/or amino acid sequence information is significant, many patent applicants are accustomed to, or familiar with, the submission

of such sequence information to various sequence databases, such as GenBank, which is produced by the National Institutes of Health. Information regarding GenBank can be obtained from GenBank/Intelligenetics, Inc., 700 East El Camino Real, Mountain View, California 94040, (415) 962-7364. In order to facilitate such submissions, or merely for the purpose of researching and developing sequence information, many eventual patent applicants also generate or encode sequence information in computer readable form. In view of this, compliance with the rules herein should not pose a significant additional burden for these applicants. In order to further facilitate compliance with the rules that follow, the PTO will make available to the public input programs that are based on the Authorin program produced by GenBank. These input programs are specifically tailored to the requirements herein. The PTO presently intends to offer training for applicants and/or their attorneys to aid in their compliance with these rules. Details regarding availability of the modified Authorin program and scheduling of training programs will be announced in the PTO's *Official Gazette*.

The standard symbols and format, as well as the submission of sequence data in computer readable form, will be required for all disclosures of nucleotide and amino acid sequence data in new patent applications filed after the effective date of the rule change. Compliance with the rules, on a voluntary basis, is encouraged for applications filed prior to the effective date of these final rules. It is envisioned that, for the great majority of applications affected by these rules, applicants will not be subjected to significant additional burdens, with regard to both time and/or costs, in order to comply with these rules. However, if exceptional circumstances do arise and certain applicants experience specific hardships in attempting to comply with these rules, the PTO will consider appropriate petitions, filed in accordance with 37 CFR §1.183, to waive the rules, for which any fees may be refunded or waived dependent upon the particular circumstances. The final rules will not apply to reissue applications or reexamination proceedings filed after the effective date unless the application which matured into the patent sought to be reissued or reexamined was subject to these rules. Further, the final rules will not apply, except on a voluntary basis, to continuation or divisional applications filed after the effective date unless any application upon which 35 U.S.C. 120 priority is claimed was also subject to these rules. The final rules will apply to continuation-in-part applications filed after the effective date where any application upon which 35 U.S.C. 120 priority is claimed was subject to these rules or where the material that is newly added in the continuation-in-part includes sequence information that falls within the requirements of these rules. For those continuation-in-part applications that are filed after the effective date where the application upon which 35 U.S.C. 120 priority is claimed was not subject to these rules, compliance with these rules, on a voluntary basis, is encouraged.

The final rules define a set of symbols and procedures that will be both mandatory and the only way that an applicant will be permitted to submit certain information about a sequence that falls within the definitions used in these rules. Thus, §1.821 defines a sequence for the purpose of these final rules; sets forth the requirements for specific symbols, formats, paper and computer readable copies of the sequence; and specifies the deadlines for complying with the requirements. Sections 1.822 to 1.824 set forth detailed descriptions of the requirements that will be mandatory for the presentation of sequence data, and §1.825 sets forth procedures that will be available to an applicant in the event that amendments to the sequence information or replacement of the computer readable copy become necessary. There is nothing in these final rules that is intended to alter in any manner the prohibition against the introduction of new matter (35 U.S.C. 132 and 251), or the prohibition against the introduction of information that is not described in the application as originally filed (35 U.S.C. 112, first paragraph).

With regard to the symbols and format to be used for nucleotide and/or amino acid sequence data set forth in § 1.822 and the form and format for sequence submissions in computer readable form set forth in § 1.824, the PTO intends to accommodate progress in the areas of both standardization and computerization as they relate to sequence data by subsequently amending the rules to take into account any such progress. This progress will probably be reflected in the refinement of or liberalization of these final rules. For example, progress in the area of the standardization of sequence data will likely result

in a more comprehensive rule; and the branched sequences and the D-amino acids that are currently excluded from the rules may, in the future, be brought within the scope of the rules once the necessary standardization technology becomes available. As a further example, the computer readable form is currently limited to diskettes and tapes, but it readily can be seen that progress in the technology for developing databases of the type the PTO has envisioned will likely permit a broadening of the permissible types of computer readable forms that may be submitted. The same can be said for the computer/operating-system configurations that are currently permitted. As the PTO becomes able to provide greater refinement and liberality in these areas, the PTO will do so by appropriate amendments to the rules herein.

These final rules are part of an ongoing coordinated effort in the private sector and among the EPO, the JPO and the PTO to standardize the use of symbols and the format for sequence information, in order to permit the exchange and use of each other's published data. The PTO has signed a Memorandum of Understanding with the EPO and the JPO that calls for the capture and exchange of sequence data contained in patent applications filed with the three Offices from 1990 onward. A final agreement relating to the details of this undertaking was reached in Oct. 1989. A briefing setting forth the PTO's intentions for handling patent applications containing sequence data was held for the benefit of interested bar and industry groups on July 14, 1988. Draft rules were circulated to interested bar and industry groups on September 23, 1988. Numerous organizations and individuals filed comments in response to both the briefing and the draft rules. Finally, a notice of proposed rule-making relating to the Requirements for Patent Applications Containing Nucleotide Sequence and/or Amino Acid Sequence Disclosures was published in the Federal Register, 54 FR 18671 (May 2, 1989), and in the *Official Gazette*, 1102 O.G. 34 (May 16, 1989).

In this notice of final rulemaking, a description of the changes in the text of the proposed rules is provided along with an explanation of the reasons supporting the changes. In addition, comments received in response to the notice of proposed rule-making are analyzed. Finally, an explanation of the content of the final rules is provided.

Changes in Text of Proposed Rules

Several changes have been made in the text of the final rules from the text of the proposed rules which were published for comment in the notice of proposed rulemaking. Those changes are discussed below.

Section 1.821:

In the preamble for paragraph (a) of this section as proposed, the phrase "a sequence" as proposed has been replaced with the phrase "an unbranched sequence", and the sentence "Branched sequences are specifically excluded from this definition." has been inserted between the first and second sentences of the preamble as proposed for the purpose of clearly excluding branched sequences from the scope of the final rule. Due to the lack of a generally accepted standardized method for the representation and search of branched sequences in computer databases, it was decided that, until the requisite standards are developed, branched sequences would be excluded from the scope of the final rule. As such, these regulations are not applicable to branched sequences. In the first sentence of the preamble, "is interpreted to mean" has been changed to "means." This latter change is considered to be editorial in nature and is not intended to change the meaning of the preamble in any way.

In paragraphs (a)(1) and (a)(2) of this section, the phrase "in the description and/or the separate part of the disclosure on paper copy corresponding to, but not including," as proposed has been replaced with the phrase "as set forth in § 1.822(b), but shall not be shown explicitly in". These changes and the changes, discussed below, that were made to § 1.822(b) and the addition of § 1.822(p) were made for the purpose of clarifying the treatment to be accorded modified nucleotide bases and modified and unusual amino acids.

In paragraph (a)(2) of this section, the sentence "Only peptides or proteins containing normal peptide bonds are embraced

by this definition." as proposed has been replaced by the sentence "Any peptide or protein that can be expressed as a sequence using the symbols in § 1.822(b)(2) in conjunction with a description elsewhere in the "Sequence Listing" to describe, for example, modified linkages, cross links, end caps, non-peptidyl bonds, etc., is embraced by this definition." This change was made to clarify the scope of the rules relative to amino acids. Accordingly, an amino acid sequence will not be excluded from the scope of the rules merely due to the presence of one or several modified linkages, non-peptidyl bonds, etc. If an amino acid sequence, containing L-amino acids, can be represented by a string of amino acid abbreviations, with reference, where necessary, to a features table to explain modifications in the sequence, the sequence is embraced by the rules. The use of the terms "peptide or protein" implies, however, that the amino acids in a given sequence are linked by at least three consecutive peptide bonds.

In paragraph (b) of this section, the terms "above definition" have been changed to "definition in paragraph (a) of this section" to clearly identify the definition to which reference is being made.

In paragraph (e) of this section, third and fourth sentences have been added to explicitly set forth the procedure to be followed when a computer readable form of a new application is identical with a computer readable form of another application. In that situation, an applicant may make reference to the other application and computer readable form in lieu of filing a duplicate computer readable form in the new application.

In paragraphs (g) and (h) of this section, the phrases "the requirements of one or more of" have been changed to "any of the requirements of." A corresponding change has been made in the body of paragraphs (g) and (h) by deleting "one or more of" and "above." These changes are considered to be editorial in nature. No change in substance is intended.

In paragraph (g) of this section, the phrase "two months from the date of filing or" has been deleted from the paragraph as proposed to clearly indicate that notices will be sent by the PTO to applicants for all failures to comply with the rules. Further, the phrase "whichever is later, in which to comply, or the application will be considered to be abandoned" has been changed to "in order to prevent abandonment of the application." This latter change is considered to be editorial in nature. No change in substance is intended.

In paragraph (h) of this section, the phrase "or no international search report will be established by the United States Patent and Trademark Office as an International Searching Authority for those claims in the application that are directed to nucleotide and/or amino acid sequences" has been deleted from the paragraph as proposed. International applications that fail to comply with any of paragraphs (b) through (f) of this section will be searched to the extent possible without the benefit of the information in computer readable form. In the first sentence of this paragraph, "further" has been changed to "other" in view of the severely limited time constraints for processing PCT patent applications. In the second to the last sentence of this paragraph, the phrase "include new matter or" has been inserted before the phrase "go beyond the disclosure in the application as filed." This phrase was inserted to acknowledge the parallel, for later reference, between the U.S. and PCT standards for new matter. The last sentence of this paragraph, as proposed, has been deleted to more closely parallel paragraph (g) of this section.

Paragraph (i) has been added to this section to address the concerns of the private sector with respect to the weight that may ultimately be accorded an omission of an item of information which is not required under the rule, regardless of whether that item has been designated as "recommended" or "optional." This paragraph makes clear that neither the presence nor absence of information which is not required under the rules will create a presumption that such information is necessary to satisfy any of the requirements of 35 U.S.C. 112. Further, this paragraph states that the grant of a patent on an application that is subject to §§ 1.821 through 1.825 constitutes a conclusive presumption that the granted patent complies with the requirements of these rules.

Paragraph (j) has been added to this section to facilitate administrative processing of all application papers, computer readable forms and fees filed under this section. Accordingly, all such application papers, computer readable forms and fees should be marked "Box SEQUENCE."

Section 1.822

In paragraph (a) of this section as proposed, "following requirements" has been changed to "requirements of paragraphs (b) through (p) of this section." This change was made to clearly delineate the requirements being referenced.

In the preamble for paragraph (b) of this section, various changes have been made to the rule as proposed to clarify the codes that may be used for the nucleotide and/or amino acid sequence characters in the representations of the nucleotide and amino acid sequences and to clarify the treatment to be accorded modified nucleotide bases and modified and unusual amino acids. The phrase "and (b)(2)" has been substituted for "through (b)(4)" because the lists of modified bases and modified and unusual amino acids that were set forth in paragraphs (b)(3) and (b)(4) of this section as proposed are now separately set forth in newly drafted paragraph (p) of this section as adopted. In conjunction with the separate listing of the modified bases and modified and unusual amino acids in paragraph (p) of this section, the substance of the second sentence of this paragraph as proposed has been deleted and has been set forth in paragraph (p) of this section as adopted. Three new sentences have been added to paragraph (b) of this section as proposed. The first new sentence sets forth the principle that only those codes listed in paragraphs (b)(1) and (b)(2) shall be used in the representation of the nucleotide and amino acid sequences. The second and third new sentences describe the manner in which modified bases and amino acids may be presented in nucleotide and amino acid sequences by virtue of the use of the codes set forth in paragraphs (b)(1) and (b)(2) of this section. The changes to paragraph (b) of this section as proposed serve to clearly delineate those codes that may be used in the representation of nucleotide and amino acid sequences from those that may be used elsewhere in the description or the "Sequence Listing." Accordingly, only those codes that are to be used in the representation of sequences are now set forth in paragraph (b) of this section as adopted whereas the controlled vocabulary for modified bases and modified and unusual amino acids is now separately set forth in paragraph (p) of this section as adopted. The second sentence of this paragraph, as proposed, has been deleted from this paragraph and now appears in 1.823(a), as adopted.

In paragraph (d) of this section, the term "above" has been replaced by the term "below". The fact that the representation of double stranded nucleotide sequences will not be permitted in the "Sequence Listings" has obviated the need to accommodate those situations in which the coding regions of the coding strand of a double stranded nucleotide sequence and the amino acids corresponding to the codons in the coding strand of that nucleotide are depicted. In those situations, it was considered that the correspondence between the amino acids and the codons in the coding strand could most clearly be illustrated by positioning the amino acids above the nucleotide rather than below the nucleotide, as is more conventionally done. This arrangement was then, for the purpose of consistency, extended to the representation of all amino acids that corresponded to codons in the coding regions of a nucleotide. As stated above, because double stranded nucleotides will not be permitted in the "Sequence Listings," there is no longer a need to depict amino acids above corresponding codons. As such, paragraph (d) as adopted requires the depiction of amino acids corresponding to codons in the coding parts of a nucleotide sequence immediately below, not above, the corresponding codons.

Further, in paragraph (d) of this section, the new sentence "Where a codon spans an intron, the amino acid symbol shall be typed below the portion of the codon containing two nucleotides." has been added to the end of the paragraph, as proposed. This sentence was added to clarify the representation of an amino acid that corresponds to a codon that spans an intron. It is considered to be self-explanatory.

In paragraph (e) of this section, the term "code" has been replaced by the term "abbreviation" for consistency with paragraph (b)(2) of this section.

In paragraph (f) of this section, the sentence "Leftover bases, fewer than 10 in number, at the end of noncoding parts of a sequence shall be grouped together and separated from adjacent groups of 10 or 3 bases by a space." has been added to the end of the paragraph as proposed. This sentence was added to clarify

the representation of bases in a nucleotide sequence in those situations where an accumulation of bases, fewer than 10 in number, occur at the end of the non-coding part of a sequence.

Paragraphs (j) and (k) of this section as proposed have been changed to reflect the fact that the representation of double stranded nucleotide sequences will not be permitted in the "Sequence Listing." In paragraph (j) of this section as proposed, "single stranded" has been deleted, and "only by a single strand," has been inserted between "presented" and "in." The effect of these changes, in conjunction with the deletion of paragraph (k) as proposed, is to preclude the presentation of double stranded nucleotides in the "Sequence Listing."

Insofar as paragraph (k) of this section as proposed has been deleted, paragraphs (l) through (p) as proposed have been redesignated as paragraphs (k) through (o), respectively, as adopted.

In paragraph (n) of this section as proposed (paragraph (m) as adopted), the procedure for numbering amino acid sequences has been changed. In the first sentence of the paragraph as proposed, "shall" has been changed to "may" to indicate that the numbering procedure dependent upon the identification of the mature protein is optional, not mandatory. This change was made to alleviate the concern that there may be instances when an applicant may not have identified the mature protein. As such, an alternative numbering procedure has been set forth for use when the numbering is not based upon the identification of the mature protein. The sentence "Otherwise, the enumeration of amino acids shall start at the first amino acid at the amino terminal as number 1." has been added to the paragraph as proposed to set forth this alternative numbering procedure. The second sentence of this paragraph as proposed has been moved to the end of the paragraph as adopted so as to be applicable to both of the numbering procedures that are set forth in the paragraph as adopted. The third sentence of this paragraph as proposed has been clarified to indicate that the pre-sequences, pro-sequences (newly added), pre-pro-sequences (newly added) and signal sequences referred to are, in fact, amino acids preceding the mature protein.

In paragraph (p) as proposed (paragraph (o) as adopted), the phrase "A partial sequence shall be numbered as a separate sequence and" has been deleted, "numbered" has been changed to "presented"; "separate sequence identifiers, with" has been added between "with" and "the"; and the sentence "A sequence that is made up of one or more noncontiguous segments of a larger sequence or segments from different sequences shall be presented as a separate sequence." has been added to the end of the paragraph as proposed. These changes have been made to address the concerns that the requirements for the presentation and numbering of partial, gapped and hybrid sequences were ambiguous.

Paragraph (p) as adopted is new relative to the text of this section as proposed. The substance of this new paragraph corresponds to that set forth in the second sentence of paragraph (b) as proposed. As such, the comments made above with regard to paragraph (b) of this section are applicable herein.

Section 1.823:

In paragraph (a) of this section as adopted, two new sentences have been added to the paragraph as proposed. The first new sentence sets forth requirements relating to page and line length. The second new sentence was transferred from § 1.822(b) in its entirety. This transfer was made to provide a more logical presentation of all of the requirements for the "Sequence Listing."

In paragraph (b) of this section, the second sentence as proposed has been replaced by three new sentences to more clearly set forth the required arrangement of information in the "Sequence Listing."

In paragraph (b)(1)(i) of this section as proposed, "specify one name per line: SURNAME comma OTHER NAMES and/or INITIALS" has been added after "applicants" to clarify the format for the presentation of the applicants name in the "Sequence Listing." similar changes have been made to name designations in paragraphs (b)(1)(vii)(A) and (b)(1)(ix)(A) as proposed.

In paragraph (b)(1)(ii) of this section as proposed, "four lines maximum" has been added to the parenthetical information to indicate that the response provided should not exceed four lines.

Similar additions have been made throughout paragraph (b) of this section where the response provided may exceed the one line limitation now set forth in the preamble to paragraph (b) of this section.

In paragraph (b)(1) of this section as proposed, a new item of information has been added. This item of information relates to the number of sequences presented in the "Sequence Listing." The item is as follows: "(iii) NUMBER OF SEQUENCES (number of sequences in the "Sequence Listing" - M)." This item has been inserted after paragraph (b)(1)(ii), and paragraphs (b)(1)(iii) through (b)(1)(ix) as proposed have been redesignated as paragraphs (b)(1)(iv) through (b)(1)(x), respectively.

In paragraph (b)(1)(iii) as proposed (paragraph (b)(1)(iv) as adopted), a new information item has been added. This item relates to the addressee to which correspondence will be sent. The item is as follows: (A) ADDRESSEE (name of applicant, firm, company or institution, as may be appropriate). This item has been inserted before subheading (b)(1)(iii)(A) as proposed, and subheadings (b)(1)(iii)(A) through (E) as proposed have been redesignated accordingly.

In paragraph (b)(1)(v) as proposed (paragraph (b)(1)(vi) as adopted), "if available" has been added after "M" to indicate that the submission of current application data is mandatory only if it is available to the applicant.

In paragraphs (b)(1)(v) and (b)(1)(vi) as proposed and paragraph (b)(2)(x) as adopted, the parenthetical information provided for application and document numbers, and, filing and publication dates has been expanded to encompass Patent Cooperation Treaty applications and publications.

In paragraphs (b)(1)(v)(B), (b)(1)(vi)(C) and (b)(1)(vi)(D) as proposed, "specify as dd-MMM-yyyy" has been added after "available" to clarify the format for the presentation of date information in the "Sequence Listing." The lower case letters are employed to designate numeric responses, and the upper case letters are employed to designate alphabetical responses. As such, March 2, 1988, would be presented as 02-MAR-1988. In paragraph (b)(1)(ix)(G) as proposed (paragraph (b)(2)(x)(G) as adopted), "including month/date/year or season" has been changed to "specify as dd-MMM-yyyy, MMM-yyyy or Season-yyyy" to encompass all variations in date designations that may be encountered.

In paragraph (b)(1)(v)(C) as proposed (paragraph (b)(1)(vi)(C) as adopted), "specify each designation, left justified, within an eighteen position alpha numeric field" has been inserted after "assigned", and "to maximum of ten classification designations" has been inserted after "rep" to clarify the field length and maximum number of repetitions for the classification designations.

In paragraph (b)(1)(vi) as proposed (paragraph (b)(1)(vii) as adopted), the references to "DOCUMENT NUMBER", "document number", "document type", "PUBLICATION DATE" and "publication date" throughout this paragraph have been deleted and replaced with the appropriate references to "APPLICATION NUMBER", "application number", etc., so that the information collected in this paragraph relates only to prior applications and filing dates, not publications and publication dates. Publication information, including document numbers and publication dates, can be provided in paragraph (b)(2)(x) of this section as adopted. Further, subheading (b)(1)(vi)(B) as proposed has been deleted, and (b)(1)(vi)(A) as proposed has been clarified to include the pertinent country information. As such, subheading (b)(1)(vi)(C) has been redesignated as (b)(1)(vii)(B). Further, "specify as two letter country code and eight digit document number" has been inserted after "number,". Information regarding the manner in which PCT applications should be cited has also been added to this parenthetical. In view of the above deletion of references pertaining to publication dates, subheading (b)(1)(vi)(D) as proposed has been deleted. Further, since "PRIOR APPLICATION DATA" may repeat, the plural designations throughout the paragraph as proposed have been deleted.

Paragraph (b)(1)(ix) "PUBLICATION STATUS" as proposed has been moved to paragraph (b)(2) of this section as adopted and designated as paragraph (b)(2)(x) "PUBLICATION INFORMATION". This change permits publication information to be submitted specifically with respect to a given sequence. Further, in paragraph (b)(1)(ix) as proposed, "Have the data that are disclosed in SEQ ID NO:X been published" has been changed to "Repeat section for each relevant publication", and patent

information fields have been added in the paragraph as adopted. The patent information fields are necessary to accommodate non-literature publications. Further, the format for the residue information collected in paragraph (b)(1)(ix)(H) as proposed has been changed so that this information can be collected in one line in paragraph (b)(2)(x)(K) as adopted. This last change was necessary to reduce the number of levels of information being collected so that the computer software that has been developed to manipulate the collected information can properly distinguish all of the items of information by the use of standard ASCII characters. The use of italics to designate items of information in the rules as proposed did not conform to this ASCII character requirement.

With the exception of the addition of the new item of information for "NUMBER OF SEQUENCES," all of the changes, as discussed above, to paragraph (b)(1) of this section as proposed are considered to be nonsubstantive. These changes clarify the information that is to be submitted and facilitate the collection and manipulation of the information for database purposes.

In paragraphs (b)(2)(i)(C) and (D) of this section as proposed, "both or unknown to applicant" have been added as possible responses for the items of information relating to "STRANDEDNESS" and "TOPOLOGY" in the paragraphs as adopted. These changes address the concerns that the strandedness and topology of sequences may not always be known with certainty. Further, in each of paragraphs (b)(2)(i)(C) and (D) as proposed, additional parenthetical information has been provided to clarify that strandedness and topology relate to those characteristics of the source organism molecule.

In paragraph (b)(2)(ii) as proposed, "KIND" has been changed to "MOLECULE TYPE" in the paragraph as adopted. This change corresponds to the same change made by GenBank for collecting sequence information. Further, "with subheadings, if any" has been inserted in the parenthetical because one of the molecule types that are listed has been modified to provide a subheading not previously provided for. Specifically, the subheading "(A) DESCRIPTION" has been provided for "Other nucleic acid." The molecule types listed in this paragraph as adopted differ slightly from those listed in the proposed rule. The adopted molecule types more closely correspond to the requisite controlled vocabulary currently in use in GenBank's Authorin submission program. Further, where separate alternative paragraphs (b)(2)(ii) were provided in this section as proposed for nucleotides and peptides or proteins, these separate paragraphs have been combined in the paragraph as adopted. These alternatives were considered to be unnecessary in light of the sequence type information collected in paragraph (b)(2)(i)(B) as proposed and adopted. Paragraphs (b)(2)(ii)(A), (B) and (C) as proposed have been deleted from this section of the rule as adopted. The information in paragraph (b)(2)(ii)(A) is not considered to be useful to the database and will not be collected. Paragraphs (b)(2)(ii)(B) and (C) are separately provided for in this section as adopted in paragraphs (b)(2)(v) and (b)(2)(iii), respectively.

New paragraphs (b)(2)(iii), (b)(2)(iv) and (b)(2)(v) have been provided in this section as adopted. Paragraph (b)(2)(iii) "HYPOTHETICAL (yes/no -R)" has been provided as a separate paragraph in this section as adopted because all of the molecule types in paragraph (b)(2)(ii) could be hypothetical, not just those previously designated as hypothetical. Paragraph (b)(2)(iv) "ANTI-SENSE (yes/no -R)" has been added to accommodate an emerging trend in the technology. Paragraph (b)(2)(v) "FRAGMENT TYPE ..." has been added as a separate paragraph in this section as adopted, whereas it was collected as an item of information under paragraph (b)(2)(ii) "KIND" in this paragraph as proposed, in order to clearly delineate "KIND" or "MOLECULE TYPE" information from other unrelated items of information such as "FRAGMENT TYPE."

Further, in paragraph (b)(2)(ii)(B) as proposed (paragraph (b)(2)(v) as adopted), the "FRAGMENT TYPE" responses have been changed to clearly indicate that fragments are indeed intended by each response. As such, "N-terminal" and "C-terminal" are, in the paragraph as adopted, "N-terminal fragment" and "C-terminal fragment."

Paragraphs (b)(2)(iii)(A) through (C) as proposed will not be collected separately. Rather, in the rule as adopted, paragraph (b)(2)(vi)(A) will collect this information in "ORGANISM (scientific name of source organism)."

In paragraph (b)(2)(iii)(F) as proposed (paragraph (b)(2)(vi)(D) as adopted), the parenthetical has been expanded to incorporate the subheadings "(1) GERM LINE" and "(2) REARRANGED", and those subheadings have been deleted. This change was necessary to reduce the number of levels of information being collected so that the computer software that has been developed to manipulate the collected information can properly distinguish all of the items of information by the use of standard ASCII characters. The use of italics to designate items of information in the rules as proposed did not conform to this ASCII character requirement.

In paragraph (b)(2)(vi) as adopted (paragraph (b)(2)(iii) as proposed), "CELL LINE" and "ORGANELLE" have been added as paragraphs (b)(2)(vi)(H) and (I), respectively. These items of information were collected in paragraphs (b)(2)(iv)(A) and (b)(2)(ii), respectively, as proposed. It is considered that these items of information are more properly collected under the "ORIGINAL SOURCE" heading.

In paragraph (b)(2)(iv) as proposed, paragraph (b)(2)(iv)(A) has been deleted in view of its addition to paragraph (b)(2)(vi) as adopted.

Paragraph (b)(2)(vi) as proposed has been deleted and the corresponding information will be collected in the "FEATURE" information in paragraph (b)(2)(ix)(D) "OTHER INFORMATION." It is considered that these items of information are more properly collected under the "FEATURE" heading.

In paragraph (b)(2)(vii) as proposed (paragraph (b)(2)(ix) as adopted), "FEATURES" has been changed to "FEATURE" to indicate that one feature at a time is, in fact, being described, although multiple features may be described by virtue of repeating the field. Further, a new subheading "(A) NAME/KEY (provide appropriate identifier for feature)" has been added to the paragraph as adopted, and the remaining subparagraphs have been redesignated. This new subheading is necessary so that information relating to feature identifiers is positively requested and can, as such, be searched as a separate field. In this paragraph, the parenthetical for the subheading "LOCATION" has been expanded to encompass the information collected in the now deleted subheading "COMPLEMENT." Further, it is now explicitly stated that the location should be specified in accordance with the syntax of the DDBJ/EMBL/GenBank Feature Table Definition. This is the syntax that has been jointly developed by the three major sequence databases in Japan, Europe and the United States. As set forth above, a new subheading "(D) OTHER INFORMATION" has been added to collect the information collected in the now deleted paragraph (b)(2)(vi).

Section 1.824:

In paragraph (a) of this section as proposed, the phrase "required b § 1.821(e)" has been added after the terms "computer readable form" to provide a cross-reference to the section of the rules that requires the submission of the computer readable form.

In paragraph (b) of this section as proposed, the erroneous reference to "National" has been deleted in the paragraph as adopted.

In paragraph (d) of this section as proposed, the two sentences have been combined into a single sentence in the paragraph as adopted. This change is considered to be editorial in nature. No change in substance is intended.

In paragraph (f) of this section as proposed, the preamble has been changed to reiterate the fact that any means may be used to create the computer readable form as long as the conditions set forth in this paragraph are satisfied. Further, in order to clarify the tape requirements in this paragraph, the magnetic tape specification has been deleted from paragraph (f)(1) and a new paragraph (f)(4) has been added solely directed to magnetic tapes.

In paragraph (f)(2) as proposed, the spelling of "Xenix" has been corrected, the references to "Unix" or "System V" have been deleted, and the erroneous "LPR" designation has been changed to "lpr" in the paragraph as adopted.

In paragraph (f)(3) as proposed, a new media format has been inserted in the paragraph as adopted to accommodate the high capacity diskettes now available for the Apple Macintosh system. This new format is a "3.50 inch, 1.4 Mb storage" diskette.

In paragraph (h) as proposed, the word "phase" in the last sentence has been changed to "stage" in the paragraph as adopted.

to properly track the terminology currently in use in other sections of 37 CFR.

Section 1.825:

In paragraph (a) as proposed, a parenthetical cross-reference to the section and paragraph of these rules that establishes the requirement for the submission of the paper copy of the "Sequence Listing" has been provided in the paragraph as adopted.

In paragraph (b) as proposed, a parenthetical cross-reference to the section and paragraph of these rules that establishes the requirement for the submission of the computer readable form has been provided in the paragraph as adopted.

In paragraph (c) as proposed, the phrase "an application after the grant of a patent thereon" has been changed to "a patent, e.g., by reason of reissue or certificate of correction," to more properly state that patents, not applications, are the subject of the corrections referenced in the paragraph as adopted.

Response to and Analysis of Comments

Written comments from thirteen (13) sources were received in response to the notice of proposed rulemaking. Some suggestions made in the comments have been adopted as presented or in modified form, and others have not been adopted. A detailed analysis of the comments follows. There was no oral testimony presented at the public hearing conducted on July 12, 1989.

Comment: Two comments questioned the authority of the PTO to impose these regulations. The comments alleged that computer readable forms are not "in writing" as required by 35 U.S.C. 111, and that the rules represent a fundamental revision of 35 U.S.C. 111, 112, and 113, and cannot be reconciled with the requirements of law.

Response: 35 U.S.C. 6 gives the Commissioner the authority to establish regulations "not inconsistent with law." These rules require sequences to be submitted "in writing" as specified under 35 U.S.C. § 111. The additional requirement of the submission of a computer readable form is not inconsistent with 111. The rules do not alter, in any way, the requirements of 35 U.S.C. 112 and 35 U.S.C. 113.

Comment: One comment stated that the rules will have a significant impact on how the claims or disclosures will be interpreted. Further, it was stated that the rules preclude the applicant from being his/her own lexicographer.

Response: As stated above, the rules do not alter, in any way, the requirements of 35 U.S.C. 112. There will be no change in disclosure and/or claiming requirements after the implementation of the rules. The use of sequence identification numbers (SEQ ID NO:X) only provides a shorthand way for applicants to claim their inventions. These identification numbers do not in any way restrict the manner in which an invention can be claimed.

Comment: One comment questioned the validity of requiring applicants to ensure that there is no added matter upon amendment, which until now had been the responsibility of the PTO.

Response: This is not the first instance in which the applicant is required to ensure that there is no new matter upon amendment. The requirement is analogous to that found in 37 C.F.R. § 1.125 regarding substitute specifications. When a substitute specification is required because the number or nature of amendments would make it difficult to examine the case, the applicant must include a statement that the substitute specification includes no new matter. The necessity of requiring a substitute "Sequence Listing" upon amendment is similar to the necessity of requiring a substitute specification and, likewise, the burden is on the applicant to ensure that no new matter is added. Applicants have a duty to comply with the statutory prohibition (35 U.S.C. 132 and 251) against the introduction of new matter.

Comment: Two comments recommended that the standardized format not be made mandatory, but optional, or a less rigid code should be adopted.

Response: The stated purpose and usefulness of these rules depends upon and requires that the resultant database be accurate, uniform and complete. The Office has determined that mandatory compliance with a single standardized format is the most efficient way of accomplishing this goal.

Comment: Four comments suggested that the proposed effective date of January 1, 1990, be postponed. The Authorin

program should be available and in use. There should be a longer transition period where the standardized format serves as a guideline rather than a mandatory rule.

Response: As noted above, the effective date of the rules has been postponed. There will be a testing period after the publication but prior to the effective date of these final rules in which applicants may elect to participate on a voluntary basis.

Comment: Three comments were made to the effect that the PTO, the JPO, and the EPO should come to an agreement regarding a uniform standardized format among the three offices.

Response: The final rules are consistent with the harmonization that has been achieved among the EPO, the JPO and the PTO relating to the presentation and exchange of sequence data.

Comment: One comment expressed concern that the lack of inter-linkage with other major gene banks would cause more work and confusion rather than less.

Response: The PTO has consulted with the existing U.S. nucleotide and peptide and protein sequence data libraries during the development of the final rules presented herein. The EPO has also consulted with the major European sequence data libraries. It should also be noted that the existing nucleotide and peptide and protein sequence data libraries in the U.S., Europe and Japan have implemented regular exchanges of sequence data.

Comment: Two comments discussed differences between the proposed standard format and that of publication databases, and pointed out the difficulty to applicants in changing the way they currently submit sequence data. The comments alleged that the proposed rules indicate that the standardized format is similar to the GenBank format when, in fact, they are quite different. Also, the rules require separate listings for sequences derived from a single sequence, whereas publication databases do not.

Response: The standardized format is as close to the GenBank format as the Office could come while accommodating the special requirements of patent applications. Many applicants will have to change the way they currently submit sequence data in patent applications, but it will be a one-time change. The benefits to both the applicants and the PTO in terms of improved search capability and higher quality patents should more than compensate for any initial burden that may be experienced by some applicants. Further, GenBank is working with the PTO to produce software that will easily convert the standard GenBank presentation for nucleotides and the standard PIR presentation for peptides to the required PTO submission format. The PTO will make this modified program available to the public.

Comment: One comment questioned whether a DNA or amino acid sequence could still be part of a figure in a patent application, or whether it must be referred to in the format "SEQ ID NO."

Response: Any sequence may still be shown in a figure. Indeed, many significant sequence features may only be demonstrated by a figure. This is especially true in view of the fact that the representation of double stranded nucleotides is not permitted, according to the final rules, in the "Sequence Listing," and many significant nucleotide features, such as "sticky ends," and the like, will only be shown effectively by reference to a drawing figure. Similarly, drawing figures are recommended for use with amino acid sequences to depict structural features of the corresponding protein, such as finger regions and Kringle regions.

Comment: Two comments expressed concern over the need for all applicants to have access to the necessary computer equipment and programs.

Response: To facilitate compliance with the rules, the PTO will make a modified Authorin data input program available to all applicants for the cost of the media. Those applicants for whom compliance with the rules remains a significant hardship may petition for a waiver of the rules. See 37 CFR § 1.183.

Comment: Three comments questioned the use of a format which had advantages for production of a "hard copy" document, but would have to be reformatted for database storage and sequence searching. Separate "clean" listings of each nucleic acid and amino acid sequence were recommended.

Response: The software that has been developed for the purpose of the PTO's sequence database readily parses the requisite sequence information from the sequence data that has been formatted primarily for visual presentation and review.

Comment: Two comments stated that the "Recommended" and "Optional" information was unnecessary in identifying the sequence with particularity, would be provided elsewhere in the application and should be eliminated from the rules.

Response: The "Recommended" and "Optional" information has been retained for the purpose of developing, to the extent possible, the most comprehensive database possible for the purpose of searching applications containing sequence data. The "Recommended" and "Optional" information items constitute text database fields that will be text searchable by the search program that will be used by the PTO examiners. While this textual information may be available elsewhere in a given application, it would not be included in a sequence database and thus would not be searchable in the database if it is not included in the "Sequence Listing" and the computer readable copy of the "Sequence Listing."

Comment: Two comments suggested that the PTO train two or three clerks to convert computerized sequence data to the requested format. The comment further stated that it would be easier and cheaper for a clerk to learn to work the software and then use it every day, than to expect inventors and attorneys to relearn the system each time they file an application disclosing a sequence as herein defined.

Response: Conversion at the PTO would involve an unnecessary duplication of effort and would increase the opportunities for the introduction of errors into the database. It is not the intent of the PTO to convert data except in some, as yet unidentified, very exceptional circumstances. The service suggested in the comment can be met appropriately in the private sector.

Comment: Three comments said that the minimum thresholds for sequence length set out by § 1.821(a) were too low, encompassing amino acid sequences which are easily searchable without computer assistance and incidental nucleotide sequences, such as linkers, which are of no value to a PTO database.

Response: The minimum thresholds have been established for the purpose of developing a database that will facilitate computerized searching for both lengthy and relatively shorter sequences. The limit of four or more amino acids has been established for consistency with limits in place for industry database collections, whereas the limit of ten or more nucleotides, while lower than certain industry database limits, has been established to encompass those nucleotide sequences to which the shortest probe will bind in a stable manner. To raise the lower limit for amino acids to, for example, five amino acids, immediately illustrates the problems associated with higher thresholds. With a limit of five amino acids there would be 20^4 (160,000) possible combinations below this higher threshold versus 20^3 (8000) or fewer possible combinations below the current threshold. This difference in the number of possible combinations is significant, and plays an important role in effectively searching the applications under consideration.

Comment: Two comments recommended that sequences incidental to the invention not be subject to the rules, and that only claimed sequences be required to be listed. One comment stated that the requirements should not be limited to claimed sequences.

Response: Any disclosed sequence, whether claimed or not, is relevant for the purpose of assessing the prior art. Therefore, it is essential that all sequences, whether only disclosed or also claimed, be included in the PTO database.

Comment: Two comments suggested that sequences included as prior art not be subject to the rules.

Response: In many instances, prior art sequences may generally be referred to by name and a publication reference; in these situations, they need not be listed as part of the "Sequence Listing." However, if recitation of the sequence, i.e., as a string of particular bases or amino acids, is necessary to a discussion of these prior art sequences, it is required that these sequences be included in the "Sequence Listing" for examination purposes.

Comment: One comment inquired as to whether functionally defined sequences could be referred to by function or whether they must be listed.

Response: Any sequence that is disclosed as a sequence, i.e., as a string of particular bases or amino acids, and that otherwise meets the criteria of § 1.821(a), must be set forth as part of the "Sequence Listing." However, a sequence that is referred to only by function need not be listed.

Comment: One comment raised the question of how to deal with variations on listed sequences such as the following: Ex-

ample (1) allelic variations or "conservatively modified variants thereof." and Example (2) where the sequence "may be deleted at the C-terminus by 1, 2, 3, 4, or 5 residues."

Response: The rules do not encompass the variations listed in Examples (1) or (2). In Example (1), the sequences may be described as SEQ ID NO:X and "conservatively modified variants thereof" or allelic variations, if desired. A situation such as that in Example (2), if encompassed by the rules, would introduce far too much complexity into the "Sequence Listings" and the searching database that is currently envisioned. The possible mathematical variations that result from this type of language could reasonably require a "Sequence Listing" that would be thousands of pages in length. In Example (2), only the undeleted sequence needs to be included in the "Sequence Listing," and the sequences may be described as SEQ ID NO:X from which deletions have been made at the C-terminus by 1, 2, 3, 4 or 5 residues. The sequence search database will only contain the undeleted sequence.

Comment: Two comments inquired as to the criteria the PTO would use to determine compliance, and what opportunities would be afforded the applicant to satisfy the regulations. One comment also stated that abandonment is an unduly harsh penalty for failure to comply with the rules.

Response: Applicants will be notified of easily detectable deficiencies early in the application process. Deficiencies of a more sophisticated nature will likely only be detected by the examiner to whom the application is assigned. Applicants whose computer readable forms are damaged in the mail, are not readable, or are missing mandatory elements will be so notified shortly after receipt of the application by the PTO. Other errors or inconsistencies will be noted by the examiner early in the examination process. Upon detection of damage or a deficiency, a notice will be sent to the applicant detailing the damage or deficiency and setting a one month period for response. Extensions of time in which to reply will be available pursuant to 37 CFR 1.136. When an action by the applicant, such as a response to a notice to comply from the PTO, is determined to be a bona fide attempt to comply with the rules and it is apparent that compliance with some requirement has inadvertently been omitted, the opportunity to explain and supply the omission will be given before the question of abandonment will be considered. See 37 CFR § 1.135(c).

Comment: Two comments questioned the legal significance of sequences in the description which differ from those in the "Sequence Listing."

Response: There should not be many instances where differences occur since sequences which are listed in the "Sequence Listing" should be referred to by the assigned SEQ ID No within the text of the description and claims. A sequence may be listed as part of a figure which may differ from that listed in the "Sequence Listing." In that case, the rules represent no change from current practice regarding inconsistencies within an application.

Comment: One comment expressed concern over the likelihood of error when referring to a sequence by ID number and the consequences to the applicant of such an error.

Response: There is the possibility that errors will occur. However, referring to sequences by ID number should prove to be less prone to error than actually repeatedly reproducing the sequences.

Comment: One comment suggested that the PTO furnish the applicant with a paper copy of the data as it appears in the PTO's database so that the applicant may ensure that no errors arose in the data transfer.

Response: The PTO will undertake the furnishing of such paper copies after the implementation date of the rules. However, the necessity of continuing this procedure indefinitely will be reviewed once the integrity of the system has been established.

Comment: One comment stated that either the paper copy or the computer readable copy of the "Sequence Listing" must not be correctable by reference to the other. The PTO should clearly state the policy, and needs the right to require (not just "permit") correction of one copy where there are discrepancies.

Response: As set forth in § 1.821(e), the paper copy of the "Sequence Listing" will serve as the official copy of the "Sequence Listing" for the purposes of the patent application file. The PTO would like to permit correction of the paper copy, at the least, during the pendency of a given application by reference

to the computer readable copy thereof if both the paper and computer readable forms were submitted at the time of filing of the application and the totality of the circumstances otherwise substantiates the proposed correction. A mere discrepancy between the paper copy and the computer readable form may not, in and of itself, be sufficient to justify a proposed correction.

Comment: One comment said that if the paper copy is the official copy for priority purposes, it should be corrected (if necessary) within about nine months of the filing date in order to be used for filing under the Paris Convention.

Response: This comment is noted, but compliance with the recommended timing is, of course, contingent upon the discovery of inconsistencies within the Paris Convention priority period. It is expected that some, but certainly not all, discrepancies will be discovered within the priority period. The PTO cannot guarantee that all discrepancies in any part of an application will be discovered within the priority period.

Comment: One comment noted that although the PTO may not consider the computer readable copy to be part of the file wrapper for U.S. application purposes, the possible effect of this additional disclosure on foreign filings based upon the original filing document of the U.S. application has not been addressed or explained.

Response: The rules explicitly state that the computer readable form is merely a copy of the "Sequence Listing," and that the computer readable form will not necessarily be retained as a part of the application file. Section 1.821(e). A certified copy of a U.S. application that is obtained for the purpose of foreign filing will not include any information in computer readable form. However, it will include a copy of the "Sequence Listing." There should be no additional disclosure in the computer readable form relative to the "Sequence Listing." Section 1.821(f) clearly requires a statement that the content of the two is the same must be submitted. These sections were drafted with the foreign priority considerations in mind.

Comment: One comment recommended that the PTO state that an applicant will (rather than "may") be given the opportunity to meet the regulations when a bona fide attempt to comply has been made, but when some item has inadvertently been omitted.

Response: The grant of this further opportunity to comply is dependent upon the nature of the deficiency and the response received in attempt to cure the deficiency. If it is evident that a bona fide attempt to comply has been made, the opportunity to explain and supply the omission will be given before the question of abandonment is considered. No change to existing practice regarding inadvertent omissions is intended or contemplated. See 37 CFR § 1.135(c).

Comment: Two comments asked what an applicant should do, in view of the rule prohibiting the addition of new matter, if an error in sequencing were discovered after filing an application.

Response: The treatment accorded errors in sequencing will be no different after the implementation date of these rules than that currently accorded errors in sequencing or any other errors that are made in describing the invention in the application as originally filed.

Comment: One comment recommended that applicants not be required to submit additional computer readable copies of the "Sequence Listing" when filing a derivative application (continuation, continuation-in-part, or divisional).

Response: Additional computer readable forms will not be required in derivative or continuing applications if the sequence information is exactly the same as that in a parent application in which a complying computer readable form had been filed. In such situations, applicants must request that the previously submitted computer readable form, or the data thereon, be used in a subsequently filed application in much the same manner as applicants must now request the transfer of drawings in derivative or continuing applications. Section 1.821(e) now explicitly provides for this practice.

Comment: Four comments said the estimate that the proposed rule change would require only an additional 15 minutes was highly unrealistic. One comment noted that the time required to key in all the information other than the sequence data was less than one hour.

Response: The estimated time of approximately fifteen minutes for complying with these rules should not be interpreted

as the amount of time necessary to formulate a "Sequence Listing" submission. Rather, the estimated time only relates to the additional amount of time applicants will have to expend to comply with these rules over and above that which they would have expended previously for patent applications. It is submitted that compliance with these rules will involve only the additional submission of relevant application and computer readable form information and a minor, one-time, revision of the format for presenting sequence data, after which no additional expenditure of time for format compliance will be necessary. The time required to submit sequence and any associated information is not included in the above estimate because it is properly assumed that this information would necessarily have been submitted, though possibly in a different format, in applications filed prior to the effective date of these rules.

Comment: One comment asked whether on-line access to the PTO database would be available to the public.

Response: On-line access to the PTO database is not immediately envisioned. The PTO does plan to disseminate the patented or published portion of the database by making the information available to the public.

Comment: Two comments asked whether adequate security measures would be taken to insure that diskettes are properly identified before separation from their files.

Response: Adequate measures will be taken to insure that computer readable forms are properly identified before separation from their files. The labeling procedures required by § 1.825(h) of these final rules should minimize any identification problems.

Comment: One comment asked how the PTO intended to dispose of the disks to insure the secrecy of their contents.

Response: The secrecy of the computer readable forms will be maintained in much the same manner as the secrecy of applications is currently maintained. If computer readable forms are disposed of by the PTO, they will be disposed of in a manner that will preserve the secrecy of their contents.

Comment: One comment recommended that all sequence data meeting the minimum length criteria be routinely subject to the rules, and that a petition should be required when an applicant believes particular sequences are exempt as per 37 CFR 1.821(a).

Response: The suggestion cannot be adopted because the PTO has the burden to establish a lack of compliance with the rules, and the suggested practice would have the effect of placing the burden of establishing the need for compliance with applicants. The burden of proof does not shift to the applicant until the PTO has established a prima facie case of noncompliance.

Comment: One comment suggested that the definition of nucleotide sequences be narrowed to exclude polymers containing other than typical 5' to 3' phosphodiester linkages.

Response: The rules have been drafted so as not to exclude the types of sequences that are specifically referred to. The PTO does not want to exclude linkages of the type commonly found in naturally occurring nucleotides, e.g., eukaryotic end capped sequences.

Comment: One comment suggested that the applicability of the rules is overbroad and ambiguous. It was stated that it was unclear whether a single non-peptidyl linkage removes a peptide from applicability.

Response: Every effort has been made to eliminate ambiguity from the rules. The rules are, nonetheless, procedurally and technologically complex. They must be carefully reviewed in order to gain a comprehensive understanding of them. With regard to the specific question that has been posed, § 1.821(a)(2) was changed to address the point in question. A single non-peptidyl bond does not exclude a given peptide from the scope of the rule.

Comment: Three comments recommended that the depiction of unusual or modified bases and amino acids should be clarified. One of these comments suggested specific language for clarification. The suggested language is as follows:

A modified base or amino acid may be presented in a given sequence as the corresponding unmodified base or amino acid if the modified base or amino acid is one of those listed in paragraphs (p)(1) or (p)(2) of this section and the modification is also set forth elsewhere in the Sequence Listing (for example, FEATURES § 1.823(b)(2)(ix)). Otherwise, all bases or amino acids not appearing in paragraphs (b)(1) or (b)(2) of this section shall be listed in a given sequence as "N" or

"Xaa," respectively, with further information, as appropriate, given elsewhere in the Sequence Listing.

Response: The suggested language has been adopted in § 1.822(b) of the final rule.

Comment: One comment asked that the PTO explicitly state that the rules do not apply to applications that are pending at the time of the rule change.

Response: Only new applications filed after the effective date of the rule change will be subject to the rules; applications which are pending at that time are exempt. Compliance with the rules, on a voluntary basis, is encouraged for applications filed prior to the effective date of these final rules. The final rules will not apply, except on a voluntary basis, to continuation or divisional applications filed after the effective date unless the application upon which 35 U.S.C. 120 priority is claimed was also subject to these rules. The final rules will apply to continuation-in-part applications filed after the effective date where the application upon which 35 U.S.C. 120 priority is claimed was subject to these rules or where the material that is newly added in the continuation-in-part includes sequence information that falls within the requirements of these rules. The final rules will not apply to reissue or reexamination applications filed after the effective date unless the application which matured into the patent sought to be reissued or reexamined was subject to these rules.

Comment: One comment asked whether it would be acceptable for the inventor or the person who actually compares sequence data to sign the statement that the "Sequence Listing" conforms to the computer readable form.

Response: A statement submitted by either of those persons is acceptable as long as it is a verified statement. Any person registered to practice before the PTO may make such a statement, and it does not need to be verified. The statement may be made by any person not registered to practice before the PTO if the statement is a verified statement, i.e., in oath or declaration form.

Comment: Three comments said that the time limits set for compliance in § 1.81(g) were too short and should be extended.

Response: The time limits set are considered reasonable, and those set in § 1.821(g) are extendable pursuant to 37 CFR 1.136.

Comment: One comment noted that the requirement to indicate coding regions of a nucleic acid sequence may be inappropriate.

Response: There has been a misunderstanding of the requirements relating to the depiction of the coding regions in nucleotide sequences as well as the amino acids corresponding to the codons in those coding regions. It should be noted that the rules do not, in any way, require the depiction of coding regions or the amino acids corresponding to the codons in those coding regions. Paragraph (d) of § 1.822 only requires that where amino acids corresponding to the codons in the coding parts of a nucleotide sequence are depicted, they must be depicted *below* the corresponding codons. (Emphasis added.) There is absolutely no requirement in the rules to depict coding regions. Nor is there a requirement to separately list the amino acid sequence unless the applicant desires to discuss the amino acids as a separate sequence. That is, when the coding parts of a nucleotide sequence and their corresponding amino acids have been identified, if applicant desires to discuss those amino acids in the coding parts of the nucleotide as a separate sequence, those amino acids must also be set forth as a separate sequence. These requirements do not alter, in any way, the requirements of 35 U.S.C. 112. The separate submission of the amino acid sequence that corresponds to the coding parts of a nucleotide sequence is, however, recommended and encouraged because the amino acid sequence may not be captured in the sequence database if it is only presented in the mixed-mode format.

Comment: One comment noted that the requirement to list nucleotide coding regions as groupings of codons becomes redundant when the same sequence must be listed for each reading frame, and may be irrational for those circumstances where a single base insertion or deletion causes a change in the reading frame.

Response: As noted above, there is no requirement in the rules to depict coding regions of nucleotides. However, when an applicant does elect to depict coding regions, the rules require that they be depicted in a uniform manner.

Comment: One comment noted that the term "mature protein" should be better defined. The requirement to number amino

acids based on the determination of the mature protein is unnecessary and could lead to litigation problems. Further, the designation of pre- and pro- sequences may be impossible and is irrelevant to the search.

Response: Section 1.822(m) of the rules as adopted sets forth a procedure for numbering amino acid sequences that is an alternative to the procedure involving the identification of the mature protein. Sequences can either be numbered based upon the identification of the mature protein or based upon the first amino acid at the amino terminal as number 1.

Comment: Two comments noted that the rules did not provide for the depiction of codons that span intron/exon junctions.

Response: The rules as adopted now provide for the depiction of codons that span intron/exon junctions in § 1.822(d).

Comment: One comment asked how to represent regions where two proteins are coded on opposite strands of DNA and overlap.

Response: since the final rules do not permit the representation of double stranded nucleotides, each DNA strand must be listed separately. In this situation, each DNA strand may be listed with its corresponding amino acid sequence, and the relationship between the two may be shown in a drawing figure.

Comment: One comment noted that the rules do not provide for the representation of differentially spliced gene sequences which lead to the expression of two different amino acid sequences from a single gene or RNA.

Response: The rules do not contemplate the depiction of more than one amino acid sequence together with a single nucleotide sequence. Therefore, a differentially spliced nucleic acid sequence requires separate listings. The information may be represented by separate listings for each sequence, i.e., one nucleotide sequence and two amino acid sequences, or by listing the nucleic acid sequence twice, once with each of the different amino acid sequences. The relationship between them may also be shown in a drawing figure.

Comment: One comment recommended that applicants have the option of presenting the amino acid sequence in the one-letter form.

Response: The use of the three-letter code in the "Sequence Listing" is preferred for ease of examination. However, the modified Authorin program allows applicants to input amino acid sequences using one-letter codes or three letter codes, and will convert, where necessary, one-letter codes to the appropriate three-letter codes for the "Sequence Listing."

Comment: One comment suggested that the wording of § 1.822(p), regarding the presentation of partial sequences, subsequences and discontinuous sequences, be clarified.

Response: This language has been clarified, and can be found in § 1.822(o) as adopted.

Comment: One comment noted that there are no known naturally occurring circular amino acid sequences and that § 1.822(o) need not distinguish between circular and linear polypeptide sequences.

Response: Section 1.822(o) as proposed is now set forth in § 1.822(n) as adopted. Sequences in patent applications are not limited to those that occur naturally. Synthetic sequences are encompassed by the rules.

Comment: Three comments recommended that the PTO state explicitly that the applicant will in no way be held liable for omissions of optional or recommended items, and that the PTO would make no interpretations therefrom.

Response: The suggestion has been adopted in § 1.821(i) of the rules.

Comment: One comment recommended that the number of sequences presented in the "Sequence Listing" be included under the GENERAL INFORMATION section as a check for completeness during application processing.

Response: The suggestion has been adopted in § 1.823(b)(1)(iii) of the rules.

Comment: One comment mentioned that it was confusing to describe the items CURRENT APPLICATION DATA and PRIOR APPLICATION DATA as mandatory while saying that they are to be omitted if the information is unknown or inapplicable.

Response: The requirement for this information is similar to that currently set forth in 37 CFR 1.5. Each of the above items of information must be submitted if they are known to applicant or applicable in a given application, respectively.

Comment: One comment suggested that the PUBLICATION STATUS section be revised to accommodate patent citations.

Response: The suggestion has been adopted in § 1.823(b)(2)(x).

Comment: One comment said that the many levels of identifiers and sub-identifiers introduced unnecessary complexity.

Response: The items of information in § 1.823 have been reviewed and several levels of identifiers and sub-identifiers have been deleted.

Comment: One comment recommended that § 1.823(b)(1)(ix) not include the items BASE PAIRS and AMINO ACIDS since that information would be known from the kind of sequence listed.

Response: The suggestion has been adopted in § 1.823(b)(2)(x) of the rules.

Comment: One comment suggested that § 1.823(b)(2)(i) include "Not known to applicant" as a valid response to TOPOLOGY and STRANDEDNESS items.

Response: The suggestion has been adopted in § 1.823(b)(2)(i).

Comment: One comment suggested that "anti-sense DNA" and "anti-sense RNA" be added as a valid response under KIND in § 1.823(b)(2)(ii).

Response: A separate information item has been provided for molecule types that have anti-sense characteristics. It is in § 1.823(b)(2)(iv) as adopted.

Comment: One comment said that "Specific Organelle" was not a proper response to KIND, but was a sub-identifier under "Organelle DNA" and "Organelle RNA."

Response: All organelle information will be collected in § 1.823(b)(2)(vi)(I) as adopted.

Comment: One comment recommended that the heading KIND be used only once and the "Peptide or protein" information be listed under that single heading.

Response: The suggestion has been adopted in § 1.823(b)(2)(ii).

Comment: One comment suggested that "Whole" be included as a proper response to Peptide or protein FRAGMENT TYPE.

Response: This suggestion has not been adopted because it is presumed that no response will be given for FRAGMENT TYPE if the sequence is Whole."

Comment: One comment suggested that NAME be added as a sub-identifier under the FEATURES section.

Response: The suggestion has been adopted in § 1.823(b)(2)(ix)(A).

Comment: One comment suggested that § 1.824(f) be modified to include 1/4" tape cartridge as an acceptable magnetic medium. One comment suggested that computer readable forms produced by Digital Equipment Corporation (DEC) systems be acceptable.

Response: These suggestions have not been adopted. The initially acceptable computer readable forms and computer systems are limited to those set forth in § 1.824(a) and (f), respectively. It should be noted that any computer operating system may be utilized to produce a sequence submission, provided that the system is capable of producing a file having the characteristics specified in § 1.824 and capable of writing the properly formatted file to one of the acceptable diskettes or tapes.

Comment: One comment suggested that the PTO accept any computer readable form which is acceptable to the EPO or JPO.

Response: It is likely that, with the exception of the EPO's acceptance of optical character readable documents, the PTO will be more liberal than both the EPO and the JPO with regard to acceptable computer readable forms. The JPO will not accept any computer readable forms.

Comment: One comment recommended that where a yes/no response is desired for an item of information, it should be indicated in the parenthetical information following that item.

Response: The suggestion has been adopted throughout § 1.823(b) of the rules.

Comment: One comment suggested that a provision be made to allow a sequence listing to be the figure published in the *Official Gazette* at issuance.

Response: The PTO is exploring the feasibility of adopting this suggestion. If adopted, the Manual of Patent Examining Procedure will be revised to accommodate this suggestion.

Section 1.821(a) presents a definition for "nucleotide and/or amino acid sequences." This definition sets forth limits, in terms of numbers of amino acids and/or numbers of nucleotides, at or above which compliance with the rules that follow is required. Further, compliance with the rules is only required for unbranched sequences. Branched sequences are specifically excluded from the scope of the rules. The limit of four or more amino acids has been established herein for consistency with limits in place for industry database collections whereas the limit of ten or more nucleotides, while lower than certain industry database limits, has been established to encompass those nucleotide sequences to which the smallest probe will bind in a stable manner. Specifically, the amino acid limit is consistent with the limits in place in industry database collections, such as the National Biomedical Research Foundation Protein Identification Resource (NBRF-PIR; Washington, D.C.) database and the International Protein Information Database in Japan (JIPID; Tokyo). NBRF-PIR may include sequences having fewer than four amino acids but this is considered by the PTO to be too low because amino acid sequences with three amino acids can readily be manually searched as chemical structures rather than as sequences of the type to be submitted under these rules. The limits for amino acids and nucleotides are also consistent with those established for sequence data exchange with the JPO and the EPO.

Sections 1.821(a)(1) and 1.821(a)(2) present further definitions for those nucleotide and amino acid sequences that are intended to be embraced by the rules that follow. Nucleotide sequences are further limited to those that can be represented by the symbols set forth in § 1.822(b)(1). Amino acid sequences are further limited to those listed in § 1.822(b)(2) and those L-amino acids that are commonly found in naturally occurring proteins. The limitation to L-amino acids is based upon the fact that there currently exists no widely accepted standard nomenclature for representing the scope of amino acids encompassed by non-L-amino acids, and, as such, the process of meaningfully encoding these other amino acids for computerized searching and printing is not currently feasible. The previous limitation that "[o]nly peptides or proteins containing normal peptide bonds are embraced" by the rule has been deleted from the final rules in favor of a more liberal standard that states that the rules embrace "[a]ny peptide or protein that can be expressed as a sequence using the symbols in § 1.822(b)(2) in conjunction with a description elsewhere in the "Sequence Listing" to describe, e.g., modified linkages, cross links, end caps, non-peptidyl bonds, etc." The use of the terms "peptide or protein" implies, however, that the amino acids in a given sequence are linked by at least three consecutive peptide bonds. Accordingly, an amino acid sequence will not be excluded from the scope of the rules merely due to the presence of a single non-peptidyl bond. If an amino acid sequence can be represented by a string of amino acid abbreviations, with reference, where necessary, to a features table to explain modifications in the sequence, the sequence comes within the scope of the rules. However, the rules are not intended to encompass the subject matter that is generally referred to as synthetic resins.

Section 1.821(b) requires exclusive conformance, with regard to the manner in which the nucleotide and/or amino acid sequences are presented and described, with the rules that follow for all applications that include nucleotide and amino acid sequences that fall within the above definitions. This requirement is necessary to minimize any confusion that could result if more than one format for representing sequence data was employed in a given application. It is also expected that the preferred standard format will be more readily and widely accepted and adopted if its use is exclusive, as well as mandatory.

Section 1.821(c) requires that applications containing nucleotide and/or amino acid sequences that fall within the above definitions, contain, as a separate part of the disclosure on paper copy, a disclosure of the nucleotide and/or amino acid sequences, and associated information, using the format and symbols that are set forth in §§ 1.822 and 1.823. This separate part of the disclosure on paper copy will be referred to as the "Sequence Listing," and requires that each sequence disclosed in the application appear separately in the "Sequence Listing," with each sequence further being assigned a sequence identification number, referred to as "SEQ ID NO." A plurality of sequences may, if feasible, be presented on a single page, and this may be extended to the separate presentation of both nu-

Discussion of Specific Sections

Nucleotide and/or amino acid sequence disclosures in patent applications. (Section 1.821)

cleotide and amino acid sequences on the same page. The requirement for sequence identification numbers, at a minimum, requires that each sequence be assigned a different number for purposes of identification. However, where practical and for ease of reference, sequences should be presented in the separate part of the application in numerical order.

Section 1.821(d) requires the use of the assigned sequence identifier in all instances where the description or claims of a patent application discuss sequences regardless of whether a given sequence is also embedded in the text of the description or claims of an application. This requirement is also intended to permit references, in both the description and claims, to sequences set forth in the "Sequence Listing" by the use of assigned sequence identifiers without repeating the sequence in the text of the description or claims.

Section 1.821(e) requires the submission of a copy of the "Sequence Listing" in computer readable form. The computer readable form will be used by the PTO to establish a database for searching and printing nucleotide and amino acid sequences. This electronic database will also enable the PTO to exchange patented sequence data, in electronic form, with the JPO and the EPO. It should be noted that the PTO's database will comply with the confidentiality requirement imposed by 35 U.S.C. 122. That is, the PTO will not exchange or make public any information on any sequence until the patent application containing that information matures into a patent.

The second sentence of § 1.821(e) indicates that, as between the paper copy of the "Sequence Listing" and the computer readable copy thereof, the paper copy would serve as the official copy. However, the PTO would like to permit correction of the paper copy, at the least, during the pendency of a given application by reference to the computer readable copy thereof if both the paper and computer readable forms were submitted at the time of filing of the application and the totality of the circumstances otherwise substantiate the proposed correction. A mere discrepancy between the paper copy and the computer readable form may not, in and of itself, be sufficient to justify a proposed correction. In this regard, the PTO will assume that the computer readable form has been incorporated by reference into the application, when the paper and computer readable forms were submitted at the time of filing of the application. The PTO will attempt to accommodate or address all correction issues, but it must be kept in mind that the real burden rests with the applicant to ensure that discrepancies between the paper copy and the computer readable form are minimized. Applicants should be aware that there will be instances where the applicant may have to suffer any consequences of discrepancies between the two. All corrections would be made by appropriate fee-paid petitions. The paper copy would also serve as the official copy for priority purposes. The PTO does not desire to be bound by a requirement to permanently preserve computer readable forms for support, priority or correction purposes. For example, the PTO will make corrections, where appropriate, by reference to the computer readable form as long as the computer readable form is still available to the PTO. However, once use to the PTO for processing has ended, i.e., once the PTO has entered the data contained on the computer readable form into the appropriate database, the PTO does not intend to further preserve the computer readable form submitted by the applicant.

The last two sentences of § 1.821(e) set forth the procedure to be followed when a computer readable form of a new application is identical with a computer readable form of another application. In that situation, an applicant may make reference to the other application and computer readable form in lieu of filing a duplicate computer readable form in the new application.

Section 1.821(f) requires that the paper and computer readable copies of the "Sequence Listing" be accompanied by a statement that the content of the paper and computer readable copies are the same, at the time when the computer readable form is submitted. This statement must be a verified statement if it is made by a person not registered to practice before the PTO. Such a statement may be made by the applicant.

Section 1.821(g) requires compliance with the requirements of paragraphs (b) through (f), as discussed above, if they are not satisfied at the time of filing under 35 U.S.C. 111 or at the time of entering the national stage of an international application under 35 U.S.C. 371, within one month from the date of a notice requiring compliance. Failure to comply will result in the abandonment of the application. Submissions in response to require-

ments under this paragraph must be accompanied by a statement that the submission includes no new matter. This statement must be a verified statement if made by a person not registered to practice before the PTO. Again, such a statement may be made by the applicant. Extensions of time in which to reply to a requirement under this paragraph are available pursuant to 37 CFR 1.136. When an action by the applicant is a bona fide attempt to comply with these rules and it is apparent that compliance with some requirement has inadvertently been omitted, the opportunity to explain and supply the omission will be given before the question of abandonment is considered. See 37 CFR § 1.135(c).

Section 1.821(h) requires compliance with the requirements of paragraphs (b) through (f), as discussed above, within one month from the date of a notice requiring compliance in an international application filed in the United States Receiving Office under the Patent Cooperation Treaty (PCT), if the above noted requirements are not satisfied at the time of filing. Submissions in response to requirements under this paragraph must be accompanied by a statement that the submission does not include new matter or go beyond the disclosure in the international application as filed. This statement must be a verified statement if made by a person not registered to practice before the PTO. Such a statement may be made by an applicant. International applications that fail to comply with any of the requirements of paragraphs (b) through (f) of this section will be searched to the extent possible without the benefit of the information in computer readable form.

Section 1.821(i) makes clear that neither the presence nor absence of information which is not required under the rules will create a presumption that such information is necessary to satisfy any of the requirements of 35 U.S.C. 112. Further, this paragraph states that the grant of a patent on an application that is subject to §§ 1.821 through 1.825 constitutes a conclusive presumption that the granted patent complies with the requirements of these rules. This paragraph has been added to address the concerns with respect to the weight that may ultimately be accorded an omission of an item of information which is not required under the rule, regardless of whether that item has been designated as "recommended" or "optional."

Section 1.821(j) has been added to facilitate administrative processing of all application papers, computer readable forms and fees filed under this section. Accordingly, all such application papers, computer readable forms and fees filed in the PTO should be marked "Box SEQUENCE."

Symbols and format to be used for, nucleotide and/or amino acid sequence data. (Section 1.822)

Section 1.822 sets forth the format and symbols to be used for listing nucleotide and/or amino acid sequence data. The codes for representing the nucleotide and/or amino acid characters in the sequences are set forth in the tables of paragraphs (b)(1) and (b)(2) of this section. For the purpose of setting forth the sequence in the "Sequence Listing," only those symbols in paragraph (b)(1) for "Base codes" and in paragraph (b)(2) for "Amino acids" are to be used, as further set forth in paragraphs (c) and (e) of this section. No other symbols shall be used in nucleotide and amino acid sequences. The "Modified base controlled vocabulary" in paragraph (p)(1) and the "Modified and unusual amino acids" in paragraph (p)(2) are not to be used in setting forth the sequences; but, they may be used in the description and/or the "Sequence Listing" corresponding to, but not including, the sequence itself. However, a modified base or amino acid may be presented in a given sequence as the corresponding unmodified base or amino acid if the modified base or amino acid is one of those listed in paragraphs (p)(1) or (p)(2) of this section and the modification is also set forth elsewhere in the "Sequence Listing," for example, in the features table. Otherwise, all bases or amino acids not appearing in paragraphs (b)(1) or (b)(2) of this section must be listed in a given sequence as "N" or "Xaa," respectively, with further information given elsewhere in the "Sequence Listing."

In paragraphs (b)(2) and (e) of § 1.822, the use of three-letter codes for amino acids is required. The use of the three-letter codes for amino acids is preferred over the one-letter codes from the perspective of facilitating the examiner's review of the application papers, including the "Sequence Listing," and the public's, as well as the examiner's, use of the printed patents.

The modified Authorin program that the PTO will make available to the public will have the capability of converting from one-to three-letter amino acid codes and printing the amino acid sequence in three-letter codes regardless of input.

Paragraphs (d) through (p) of § 1.822 set forth the format for presenting sequence data. These paragraphs set forth the manner in which the characters in sequences are to be grouped, spaced, presented and numbered.

It should be noted that paragraph (d) of this section requires that amino acids corresponding to codons in the coding parts of a nucleotide sequence be listed below the corresponding codons. This is the opposite of the location set forth in the proposed rules. The fact that the representation of double stranded nucleotide sequences will not be permitted in the "Sequence Listings" has obviated the need to accommodate those situations in which the coding regions of the primary coding strand of a double stranded nucleotide sequence and the amino acids corresponding to the codons in the coding strand of that nucleotide sequence are depicted. In those situations, it was considered that the correspondence between the amino acids and the codons in the primary coding strand could most clearly be illustrated by positioning the amino acids above the nucleotides rather than below the nucleotides, as is more conventionally done. This arrangement was then, for the purpose of consistency, extended to the representation of all amino acids that corresponded to codons in the coding regions of a nucleotide sequence. As stated above, because double stranded nucleotides will not be permitted in the "Sequence Listing," there is no longer a need to depict amino acids above corresponding codons. As such, paragraph (d) as adopted requires the depiction of amino acids corresponding to codons in the coding parts of a nucleotide sequence immediately below, not above, the corresponding codons. Further, in paragraph (d) of this section, the situation in which a codon spans an intron has been addressed. In those situations, the "amino acid symbol shall be typed below the portion of the codon containing two nucleotides." This sentence was added to clarify the representation of an amino acid that corresponds to a codon that spans an intron.

In view of the number of comments that were received in which there was a misunderstanding of the requirements relating to the depiction of the coding regions in nucleotide sequences as well as the amino acids corresponding to the codons in those coding regions, it should be noted that the rules do not, in any way, require the depiction of coding regions or the amino acids corresponding to the codons in those coding regions. Paragraph (d) of this section only requires that where amino acids corresponding to the codons in the coding parts of a nucleotide sequence are depicted, they must be depicted *below* the corresponding codons. (Emphasis added.) There is absolutely no requirement in the rules to depict coding regions. Nor is there a requirement to separately list the amino acids corresponding to the codons in the coding parts of a nucleotide sequence unless the applicant desires to discuss the amino acids as a separate sequence. That is, when the coding parts of a nucleotide sequence and their corresponding amino acids have been identified, if applicant desires to discuss those amino acids in the coding parts of the nucleotide as a separate sequence, those amino acids must also be set forth as a separate sequence. The separate submission of the amino acid sequence that corresponds to the coding parts of a nucleotide sequence is, however, recommended and encouraged because the amino acid sequence may not be captured in the sequence database if it is only presented in the mixed-mode format.

Paragraphs (f) through (i) of this section are considered to be self-explanatory.

Paragraph (j) of this section states that nucleotide sequences shall only be represented by a single strand, in the 5' to 3' direction, from left to right. That is, double stranded nucleotides shall not be represented in the "Sequence Listing." A double stranded nucleotide may be represented as two single stranded nucleotides, and any relationship between the two may be shown in the drawings.

The presentation and enumeration procedures for amino acid sequences are set forth in paragraphs (k) and (m) of this section. Two alternatives are presented for numbering amino acid sequences. Amino acid sequences may be numbered with respect to the identification of the first amino acid of the first mature protein or with respect to the first amino acid appearing at the amino terminal. The enumeration procedure for nucleotides is

set forth in paragraph (l) of this section. Sequences that are circular in configuration are intended to be encompassed by these rules, and numbering procedures for them are provided in paragraph (n) of this section. The numbering procedures set forth in paragraphs (k) through (n) of this section are not necessarily intended to be consistent with all currently employed numbering procedures. The objective here is to establish a reasonable numbering procedure that can readily be followed and adhered to in the future. As a whole, these formatting procedures also reflect those that have been agreed to for electronic data exchange with the JPO and the EPO.

In paragraph (o) of this section the procedures for presenting and numbering gapped and hybrid sequences are set forth. The reference to partial sequences in the proposed rule has been deleted because a partial sequence would necessarily be numbered as a separate sequence. A sequence that is made up of one or more noncontiguous segments of a larger sequence or segments from different sequences shall be presented as a separate sequence. As previously noted, these changes have been made to address the concerns that the requirements for presentation and numbering of partial, gapped and hybrid sequences were ambiguous.

Paragraph (p) of this section provides the codes for representing modified nucleotide bases and modified and unusual amino acids. The use of the codes set forth in paragraph (p) of this section is discussed above.

Requirements for nucleotide and/or amino acid sequences as part of the application papers. (Section 1.823)

Section 1.823 sets forth the informational requirements for inclusion in the separate part of the disclosure on paper copy that would be submitted in accordance with §1.821(c). This section lists the items of information that are to be included in the "Sequence Listing," which constitutes the separate part of the disclosure on paper copy. The items of information are to be presented in the "Sequence Listing," immediately preceding the actual nucleotide and/or amino acid sequence, in the order in which those items are listed in this section. Page and line length requirements are set forth. The requirement to use a fixed width font to present sequence data is also set forth. This latter requirement is made to ensure that the desired sequence character spacing and numbering is maintained upon printing. The heading for each item of information shall not include the parenthetical explanatory information included in this section.

In § 1.823, the items of information are broken down into two categories. The first category is directed to "GENERAL INFORMATION" and includes information relating to the application being filed and the diskette/tape being submitted. It is likely that this information will be applicable for all sequences and, as such, will need to be set forth only once in a given "Sequence Listing." The second category is directed to "INFORMATION FOR SEQ ID NO:X" and includes information that, most likely, will be specific for each sequence disclosed. Where more than one sequence is disclosed, this category will be repeated and subsequent headings should be set forth as:

"(2) INFORMATION FOR SEQ ID NO:2;" "(2) INFORMATION FOR SEQ ID NO:3;" etc. Throughout the above two categories, the items of information are further broken down into categories relating to whether their submission is mandatory (M), recommended (R) or optional (O). Certain items are also designated as those that may repeat (rep) in a given "Sequence Listing." The numbering of repeated items should remain constant so that the overall numbering scheme of the "Sequence Listing" conforms to that specified in this section. The first category includes those items for which inclusion in the "Sequence Listing" is mandatory. These mandatory items of information relate to the patent application, the computer readable form, basic sequence data and the applicable priority or PCT data. A new mandatory item of information, relative to those set forth in the proposed rules, has been added to these final rules. This item relates to the number of sequences set forth in the "Sequence Listing." The reference in paragraph (b)(1)(vi)(C) of § 1.823 to "F-terms" relates to the key-word indexing of patents that is being undertaken by the JPO in conjunction with their automation plans. The second category includes those items for which inclusion in the "Sequence Listing" is recommended, but not required. These recommended items of infor-

mation provide further information relating to the sequence listed. These additional items of information are of interest to examiners and will create a more comprehensive database; as a result, the items would serve to facilitate sequence searching. The third category includes items of information that are primarily for the purpose of providing more complete information upon dissemination, for which inclusion in the "Sequence Listing" is also optional.

Throughout paragraphs (b)(1) and (b)(2) of § 1.823, the items of information relating to patent applications and patent publications should be provided, keeping in mind the appropriate standards that have been established by the World Intellectual Property Organization (WIPO).

In paragraph (b)(1)(i) of § 1.823, the item of information relating to "APPLICANT" should be limited to a maximum of the first ten named applicants in the application. Similarly, in paragraph (b)(2)(x) of § 1.823, the item of information relating to "AUTHORS" should be limited to a maximum of the first ten named authors in the publication.

In paragraph (b)(2)(ix) of § 1.823, relating to "FEATURES" or the description of the points of biological significance in a given sequence, it is recommended, but not required, that the information that is provided by the applicant conform to the controlled vocabulary that is set forth in GenBank's "Feature Representation in Nucleotide Sequence Data Libraries," Release 57.0, as may be amended. Further, the feature "LOCATION" should be specified using the syntax of the DDBJ/EMBL/GenBank Feature Table Definition.

In paragraph (b)(2)(x) of § 1.823, publication information for a given sequence is collected. The publication information encompasses both patent-type publications and non-patent literature publications. Information item "(K) RELEVANT RESIDUES IN SEQ ID NO: X" is intended to collect information relating to the correspondence between a sequence set forth in the "Sequence Listing" and published sequence information. The starting (FROM) and end (TO) positions in the listed sequence that correspond to the published sequence information should be set forth.

A sample "Sequence Listing" is included as Appendix I, following this notice. As indicated in the sample "Sequence Listing," only information that is applicable to a given sequence need be listed in the "Sequence Listing." The sample "Sequence Listing" also serves to illustrate that when the coding parts of a nucleotide sequence and their corresponding amino acids have been identified, if applicant desires to discuss those amino acids in the coding parts of the nucleotide as a separate sequence, those amino acids must also be set forth as a separate sequence. In the given sample, it can be assumed that the applicant desired to discuss the amino acids as a separate sequence. This convention will minimize ambiguities that may result in those instances where the amino acids corresponding to the coding parts of a nucleotide sequence constitute two separate amino acid sequences. In those instances, if an applicant desires to discuss the two separate amino acid sequences, they must be separately presented in the "Sequence Listing." Further, in those instances when applicant desires to discuss, as separate sequences, all three reading frames of the coding regions of a nucleotide sequence, six separate sequences should be set forth in the "Sequence Listing" to minimize confusion. These six sequences would include three nucleotide sequences separately showing each of the three reading frames of the coding regions of the sequence and three separate amino acid sequences corresponding to the translation of the three reading frames of the nucleotide sequence. A complete listing of abbreviated headings for all items of information is provided in Appendix II, also following this notice. For purposes of clarity, the appropriate responses for "(ii) MOLECULE TYPE" are also set forth in Appendix II, but only those that are applicable should be included in a given "Sequence Listing." After the heading for each item in the "Sequence Listing," the appropriate information or a yes/no answer should be provided. Where "SEQ ID NO:X" appears, the appropriate sequence identification number should be provided.

Form and format for nucleotide and/or amino acid sequence submissions in computer readable form. (Section 1.824)

Section 1.824 sets forth the form for sequence submissions in computer readable form. Any computer operating system may

be utilized to produce a sequence submission, provided that the system is capable of producing a file having the characteristics specified in § 1.824, and is capable of writing the properly formatted file to one of the acceptable diskettes or tapes. Currently, the computer readable form is being limited to diskettes or tapes. However, as noted above, it is contemplated that this may be broadened in the future in light of progress in the technology for developing and establishing databases of this type. That is, it is possible that this may be broadened in the future to encompass other media and formats. If a given sequence and its associated information cannot practically or possibly fit on a single diskette or tape, as is required in paragraph (d) of this section, an exception via a non-fee petition to waive this provision will normally be granted. As set forth in paragraph (g) of § 1.824, the computer readable forms that are submitted in accordance with these rules will not be returned to the applicant. Paragraph (h) of § 1.824 requires the labeling, with appropriate identifying information, of the computer readable forms that are submitted in accordance with these rules.

Amendments to or replacement of sequence listing and computer readable copy thereof, (Section 1.825)

Section 1.825 sets forth the procedures for amending the "Sequence Listing" and the computer readable copy thereof. The procedures that have been defined in this section involve the submission of either substitute sheets of the "Sequence Listing" or substitute copies of the computer readable form, in conjunction with statements that indicate support for the amendment in the application, as filed, and that the substitute sheets or copies include no new matter. The requirement for statements regarding the absence of new matter follows current practice relating to the submission of substitute specifications, as set forth in 37 CFR 1.125. Paragraph (c) of § 1.825 explicitly addresses the situation where amendments to the "Sequence Listing" are made after a patent has been granted, e.g., by a certificate of correction, reissue or reexamination. Paragraph (d) of § 1.825 addresses the possibility and presents a remedy for the situation where the computer readable form may be found by the PTO to be damaged or unreadable.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) due to the limited number of entities, both small and otherwise, that are involved in the relevant technology. Further, the costs associated with the rule change would not have a significant impact on overall costs associated with filing patent applications because the rule change adopts standards, procedures, and formats which are becoming industry and international norms.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The rule contains a collection of information subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.* Collections of information relating to patent applications have previously been approved by the Office of Management and Budget under code 0651-0011. For the great majority of applications that will be filed having nucleotide and amino acid sequences falling within the limits defined herein, applicants

will not have to expend any substantial extra time to comply with these rules over and above that previously approved for patent applications. For the most part and as noted above with regard to current practice in the industry, the required information will have already been keyed into a computer system. As such, compliance with these rules will involve only the additional submission of relevant application and computer readable form information and a minor, one-time, revision of the format for presenting sequence data, after which, no additional expenditure of time for format compliance will be necessary. Any burden that may be attributed to the submission of relevant application and computer readable form information may, in fact, be more than offset by the fact that compliance with these rules will have the substantial benefit of reducing the overall time necessary to prepare applications, because a given sequence will only have to be set forth once in an application and further references thereto will be made by means of a sequence identifier. Accordingly, compliance with these rules is estimated to take approximately fifteen additional minutes, including time for reviewing instructions, maintaining data needed, and completing and reviewing the collection of information. This collection of information has been approved by the Office of Management and Budget under code 0651-0024, due to expire on June 30, 1992. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Organization, Patent and Trademark Office, Washington, D.C. 20231; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503, Attention: Paperwork Reduction Project 0651-0024.

Lists of Subjects in 37 CFR Part 1:

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and record-keeping requirements, Small businesses.

For the reasons set out in the preamble and under the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

AUTHORITY: 35 U.S.C. 6 unless otherwise noted.

2. A new, undesignated center heading, new §§ 1.821 - 1.825, and new Appendices A and B are added to Subpart G - Biotechnology Invention Disclosures to read as follows:

APPLICATION DISCLOSURES CONTAINING NUCLEOTIDE AND/OR AMINO ACID SEQUENCES

§ 1.821 Nucleotide and/or amino acid sequence disclosures in patent applications.

(a) "Nucleotide and/or amino acid sequences" as used in §§ 1.821 through 1.825 is interpreted to mean an unbranched sequence of four or more amino acids or an unbranched sequence of ten or more nucleotides. Branched sequences are specifically excluded from this definition. Nucleotides and amino acids are further defined as follows:

(1) "Nucleotides" are intended to embrace only those nucleotides that can be represented using the symbols set forth in § 1.822(b)(1). Modifications, e.g., methylated bases, may be described as set forth in § 1.822(b), but shall not be shown explicitly in the nucleotide sequence.

(2) "Amino acids" are those L-amino acids commonly found in naturally occurring proteins and are listed in § 1.822(b)(2). Those amino acid sequences containing D-amino acids are not intended to be embraced by this definition. Any amino acid sequence that contains post-translationally modified amino acids may be described as the amino acid sequence that is initially translated using the symbols shown in § 1.822(b)(2) with the modified positions, e.g., hydroxylations or glycosylations, being

described as set forth in § 1.822(b), but these modifications shall not be shown explicitly in the amino acid sequence. Any peptide or protein that can be expressed as a sequence using the symbols in § 1.822(b)(2) in conjunction with a description elsewhere in the "Sequence Listing" to describe, for example, modified linkages, cross links and end caps, non-peptidyl bonds, etc., is embraced by this definition.

(b) Patent applications which contain disclosures of nucleotide and/or amino acid sequences, in accordance with the definition in paragraph (a) of this section, shall, with regard to the manner in which the nucleotide and/or amino acid sequences are presented and described, conform exclusively to the requirements of §§ 1.821 through 1.825.

(c) Patent applications which contain disclosures of nucleotide and/or amino acid sequences must contain, as a separate part of the disclosure on paper copy, hereinafter referred to as the "Sequence Listing," a disclosure of the nucleotide and/or amino acid sequences and associated information using the symbols and format in accordance with the requirements of §§ 1.822 and 1.823. Each sequence disclosed must appear separately in the "Sequence Listing." Each sequence set forth in the "Sequence Listing" shall be assigned a separate identifier written as SEQ ID NO:1, SEQ ID NO:2, SEQ ID NO:3, etc.

(d) Where the description or claims of a patent application discuss a sequence listing that is set forth in the "Sequence Listing" in accordance with paragraph (c) of this section, reference must be made to the sequence by use of the assigned identifier, in the text of the description or claims, even if the sequence is also embedded in the text of the description or claims of the patent application.

(e) A copy of the "Sequence Listing" referred to in paragraph (c) of this section must also be submitted in computer readable form in accordance with the requirements of § 1.824. The computer readable form is a copy of the "Sequence Listing" and will not necessarily be retained as part of the patent application file. If the computer readable form of a new application is to be identical with the computer readable form of another application of the applicant on file in the Office, reference may be made to the other application and computer readable form in lieu of filing a duplicate computer readable form in the new application. The new application shall be accompanied by a letter making such reference to the other application and computer readable form, both of which shall be completely identified.

(f) In addition to the paper copy required by paragraph (c) of this section and the computer readable form required by paragraph (e) of this section, a statement that the content of the paper and computer readable copies are the same must be submitted with the computer readable form. Such a statement must be a verified statement if made by a person not registered to practice before the Office.

(g) If any of the requirements of paragraphs (b) through (f) of this section are not satisfied at the time of filing under 35 U.S.C. 111 or at the time of entering the national stage under 35 U.S.C. 371, applicant has one month from the date of a notice which will be sent requiring compliance with the requirements in order to prevent abandonment of the application. Any submission in response to a requirement under this paragraph must be accompanied by a statement that the submission includes no new matter. Such a statement must be a verified statement if made by a person not registered to practice before the Office.

(h) If any of the requirements of paragraphs (b) through (f) of this section are not satisfied at the time of filing, in the United States Receiving Office, an international application under the Patent Cooperation Treaty (PCT) applicant has one month from the date of a notice which will be sent requiring compliance with the requirements, or such other time as may be set by the Commissioner, in which to comply. Any submission in response to a requirement under this paragraph must be accompanied by a statement that the submission does not include new matter or go beyond the disclosure in the international application as filed. Such a statement must be a verified statement if made by a person not registered to practice before the Office.

(i) Neither the presence nor the absence of information which is not required under §§ 1.821 through 1.825, in an application shall create any presumption that such information is necessary to satisfy one or more of the requirements of 35 U.S.C. 112. Further, the grant of a patent on an application that is subject

to the requirements of §§ 1.821 through 1.825 shall constitute a conclusive presumption that said patent complies with the requirements of §§ 1.821 through 1.825.

(j) Envelopes containing only application papers, computer readable forms and fees filed under this section should be marked "Box SEQUENCE."

§ 1.82 Symbols and format to be used for nucleotide and/or amino acid sequence data.

(a) The symbols and format to be used for nucleotide and/or amino acid sequence data shall conform to the requirements of paragraphs (b) through (p) of this section.

(b) The code for representing the nucleotide and/or amino acid sequence characters shall conform to the code set forth in the tables in paragraphs (b)(1) and (b)(2) of this section. No code other than that specified in this section shall be used in nucleotide and amino acid sequences. A modified base or amino acid may be presented in a given sequence as the corresponding unmodified base or amino acid if the modified base or amino acid is one of those listed in paragraphs (p)(1) or (p)(2) of this section and the modification is also set forth elsewhere in the Sequence Listing (for example, FEATURES § 1.823(b)(2)(ix)). Otherwise, all bases or amino acids not appearing in paragraphs (b)(1) or (b)(2) of this section shall be listed in a given sequence as "N" or "Xaa," respectively, with further information, as appropriate, given elsewhere in the Sequence Listing.

(1) Base codes:

<u>Symbol</u>	<u>Meaning</u>
A	A; adenine
C	C; cytosine
G	G; guanine
T	T; thymine
U	U; uracil
M	A or C
R	A or G
W	A or T/U
S	C or G
Y	C or T/U
K	G or T/U
V	A or C or G; not T/U
H	A or C or T/U; not G
D	A or G or T/U; not C
B	C or G or T/U; not A
N	(A or C or G or T/U) or (unknown or other)

(2) Amino acid three-letter abbreviations:

<u>Abbreviation</u>	<u>Amino acid name</u>
Ala	Alanine
Arg	Arginine
Asn	Asparagine
Asp	Aspartic Acid
Asx	Aspartic Acid or Asparagine
Cys	Cysteine
Glu	Glutamic Acid
Gln	Glutamine
Glx	Glutamine or Glutamic Acid
Gly	Glycine
His	Histidine
Ile	Isoleucine
Leu	Leucine
Lys	Lysine
Met	Methionine
Phe	Phenylalanine
Pro	Proline
Ser	Serine
Thr	Threonine
Trp	Tryptophan
Tyr	Tyrosine
Val	Valine
Xaa	Unknown or other

(c) A nucleotide sequence shall be listed using the one-letter code for the nucleotide bases, as in paragraph (b)(1) of this section.

(d) The amino acids corresponding to the codons in the coding parts of a nucleotide sequence shall be typed immediately below the corresponding codons. Where a codon spans an intron, the amino acid symbol shall be typed below the portion of the codon containing two nucleotides.

(e) The amino acids in a protein or peptide sequence shall be listed using the three-letter abbreviation with the first letter as an upper case character, as in paragraph (b)(2) of this section.

(f) The bases in a nucleotide sequence (including introns) shall be listed in groups of 10 bases except in the coding parts of a sequence. Leftover bases, fewer than 10 in number, at the end of noncoding parts of a sequence shall be grouped together and separated from adjacent groups of 10 or 3 bases by a space.

(g) The bases in the coding parts of a nucleotide sequence shall be listed as triplets (codons).

(h) A protein or peptide sequence shall be listed with a maximum of 16 amino acids per line, with a space provided between each amino acid.

(i) A nucleotide sequence shall be listed with a maximum of 16 codons or 60 bases per line, with a space provided between each codon or group of 10 bases.

(j) A nucleotide sequence shall be presented, only by a single strand, in the 5' to 3' direction, from left to right.

(k) An amino acid sequence shall be presented in the amino to carboxy direction, from left to right, and the amino and carboxy groups shall not be presented in the sequence.

(l) The enumeration of nucleotide bases shall start at the first base of the sequence with number 1. The enumeration shall be continuous through the whole sequence in the direction 5' to 3'. The enumeration shall be marked in the right margin, next to the line containing the one-letter codes for the bases, and giving the number of the last base of that line.

(m) The enumeration of amino acids may start at the first amino acid of the first mature protein, with number 1. The amino acids preceding the mature protein, e.g., pre-sequences, pro-sequences, pre-pro-sequences and signal sequences, when presented, shall have negative numbers, counting backwards starting with the amino acid next to number 1. Otherwise, the enumeration of amino acids shall start at the first amino acid at the amino terminal as number 1. It shall be marked below the sequence every 5 amino acids.

(n) For those nucleotide sequences that are circular in configuration, the enumeration method set forth in paragraph (1) of this section remains applicable with the exception that the designation of the first base of the nucleotide sequence may be made at the option of the applicant. The enumeration method for amino acid sequences that is set forth in paragraph (m) of this section remains applicable for amino acid sequences that are circular in configuration.

(o) A sequence with a gap or gaps shall be presented as a plurality of separate sequences, with separate sequence identifiers, with the number of separate sequences being equal in number to the number of continuous strings of sequence data. A sequence that is made up of one or more noncontiguous segments of a larger sequence or segments from different sequences shall be presented as a separate sequence.

(p) The code for representing modified nucleotide bases and modified and unusual amino acids shall conform to the code set forth in the tables in paragraphs (p)(1) and (p)(2) of this section. The modified base controlled vocabulary in paragraph (p)(1) of this section and the modified and unusual amino acids in paragraph (p)(2) of this section shall not be used in the nucleotide and/or amino acid sequences; but may be used in the description and/or the "Sequence Listing" corresponding to, but not including, the nucleotide and/or amino acid sequence.

(1) Modified base controlled vocabulary:

<u>Abbreviation</u>	<u>Modified base description</u>
ac4c	4-acetylcytidine
chm5u	5-(carboxyhydroxymethyl)uridine
cm	2'-O-methylcytidine
cmnm5s2u	5-carboxymethylaminomethyl-2-thiouridine
cmnm5u	5-carboxyaethylaminomethyluridine
d	dihydrouridine
fm	2'-O-methylpseudouridine
gal q	beta,D-galactosylqueosine
gm	2'-O-methylguanosine

<u>Abbreviation</u>	<u>Modified base description</u>
i	inosine
i6a	N6-isopentenyladenosine
m1a	1-methyladenosine
m1f	1-methylpseudouridine
m1g	1-methylguanosine
m1i	1-methylinosine
m22g	2,2-dimethylguanosine
m2a	2-methyladenosine
m2g	2-methylguanosine
m3c	3-methylcytidine
m5c	5-methylcytidine
m6a	N6-methyladenosine
m7g	7-methylguanosine
mam5u	5-methylaminomethyluridine
mam5s2u	5-methoxyaminomethyl-2-thiouridine
man q	beta,D-mannosylqueosine
mcm5s2u	5-methoxycarbonylmethyluridine
mo5u	5-methoxyuridine
ms2i6a	2-methylthio-N6-isopentenyladenosine
ms2t6a	N-((9-beta-D-ribofuranosyl-2-methylthiopurine-6-yl)carbamoyl)threonine
mt6a	N-((9-beta-D-ribofuranosylpurine-6-yl)N-methylcarbamoyl) threonine
mv	uridine-5-oxyacetic acid methylester
o5u	uridine-5-oxyacetic acid (v)
osyw	wybutosine
p	pseudouridine
q	queosine
s2c	2-thiocytidine
s2t	5-methyl-2-thiouridine
s2u	2-thiouridine
s4u	4-thiouridine
t	5-methyluridine
t6a	N-((9-beta-D-riofuanosylpurine-6-yl)carbamoyl) threonine
tm	2'-O-methyl-5-methyluridine
um	2'-O-methyluridine
yw	wybutosine
x	3-(3-amino-3 carboxypropyl)uridine, (acp3)u

(2) Modified and unusual amino acids:

<u>Abbreviation</u>	<u>Modified and unusual amino acid</u>
Aad	2-Aminoadipic acid
bAad	3-aminoadipic acid
bAla	beta-Alanine, beta-Aminopropionic acid
Abu	2-Aminobutyric acid
4Abu	4-Aminobutyric acid, piperidinic acid
Acp	6-Aminocaproic acid
Ahe	2-Aminoheptanoic acid
Aib	2-Aminoisobutyric acid
bAib	3-Aminoisobutyric acid
Apm	2-Aminopimelic acid
Dbu	2,4-Diaminobutyric acid
Des	Desmosine
Dpm	2,2'-Diaminopimelic acid
Dpr	2,3-Diaminopropionic acid
EtGly	N-Ethylglycine
EtAsn	N-Ethylasparagine
Hyl	Hydroxylysine
aHyl	allo-Hydroxylysine
3Hyp	3-Hydroxyproline
4Hyp	4-Hydroxyproline
Ide	Isodesmosine
alle	allo-Isoleucine
MeGly	N-Methylglycine, sarcosine
Melle	N-Methylisoleucine
MeLys	N-Methylvaline
Nva	Norvaline
Nle	Norleucine
Orn	Ornithine

§ 1.823 Requirements for nucleotide and/or amino acid sequences as part of the application papers.

(a) The "Sequence Listing," required by § 1.821(c), setting forth the nucleotide and/or amino acid sequences, and associated

information in accordance with paragraph (b) of this section, must begin on a new page and be titled "Sequence Listing" and appear immediately prior to the claims. Each page of the "Sequence Listing" shall contain no more than 66 lines and each line shall contain no more than 72 characters. A fixed-width font shall be used exclusively throughout the "Sequence Listing."

(b) The "Sequence Listing" shall, except as otherwise indicated, include, in addition to and immediately preceding the actual nucleotide and/or amino acid sequence, the following items of information. The order and presentation of the items of information in the "Sequence Listing" shall conform to the arrangement given below, except that parenthetical explanatory information following the headings (identifiers) is to be omitted. Each item of information shall begin on a new line, enumerated with the number/numeral/letter in parentheses as shown below, with the heading (identifier) in upper case characters, followed by a colon, and then followed by the information provided. Except as allowed below, no item of information shall occupy more than one line. Those items of information that are applicable for all sequences shall only be set forth once in the "Sequence Listing." The submission of those items of information designated with an "M" is mandatory. The submission of those items of information designated with an "R" is recommended, but not required. The submission of those items of information designated with an "O" is optional. Those items designated with "rep" may have multiple responses and, as such, the item may be repeated in the "Sequence Listing."

(1) GENERAL INFORMATION (Application, diskette/tape and publication information):

(i) APPLICANT (maximum of first ten named applicants; specify one name per line: SURNAME comma OTHER NAMES and/or INITIALS - M/rep):

(ii) TITLE OF INVENTION (title of the invention, as elsewhere in application, four lines maximum - M):

(iii) NUMBER OF SEQUENCES (number of sequences in the Sequence Listing" - M):

(iv) CORRESPONDENCE ADDRESS (M):

(A) ADDRESSEE (name of applicant, firm, company or institution, as may be appropriate):

(B) STREET (correspondence street address, as elsewhere in application, four lines maximum):

(C) CITY (correspondence city address, as elsewhere in application):

(D) STATE (correspondence state, as elsewhere in application):

(E) COUNTRY (correspondence country, as elsewhere in application):

(F) ZIP (correspondence zip or postal code, as elsewhere in application):

(v) COMPUTER READABLE FORM (M):

(A) MEDIUM TYPE (type of diskette/tape submitted):

(B) COMPUTER (type of computer used with diskette/tape submitted):

(C) OPERATING SYSTEM (type of operating system used):

(D) SOFTWARE (type of software used to create computer readable form):

(vi) CURRENT APPLICATION DATA (M, if available):

(A) APPLICATION NUMBER (U.S. application number, including a series code, a slash and a serial number, or U.S. PCT application number, including the letters PCT, a slash, a two letter code indicating the U.S. as the Receiving Office, a two digit indication of the year, a slash and a five digit number, if available):

(B) FILING DATE (U.S. or PCT application filing date, if available; specify as dd-MMM-yyyy):

(C) CLASSIFICATION (IPC/US classification or F-term designation, where F-terms have been developed, if assigned, specify each designation, left justified, within an eighteen position alpha numeric field - rep, to a maximum of ten classification designations):

(vii) PRIOR APPLICATION DATA (prior domestic, foreign priority or international application data, if applicable - M/rep):

(A) APPLICATION NUMBER (application number; specify as two letter country code and an eight digit application number; or if a PCT application, specify as

the letters PCT, a slash, a two letter code indicating the Receiving Office, a two digit indication of the year, a slash and a five digit number):

(B) FILING DATE (document filing date, specify as dd-MMM-YYYY):

(viii) ATTORNEY/AGENT INFORMATION (O):

(A) NAME (attorney/agent name; SURNAME comma OTHER NAMES and/or INITIALS):

(B) REGISTRATION NUMBER (attorney/agent registration number):

(C) REFERENCE/DOCKET NUMBER (attorney/agent reference or docket number):

(ix) TELECOMMUNICATION INFORMATION (O):

(A) TELEPHONE (telephone number of applicant or attorney/agent):

(B) TELEFAX (telefax number of applicant or attorney/agent):

(C) TELEX (telex number of applicant or attorney/agent):

(2) INFORMATION FOR SEQ ID NO: X (rep):

(i) SEQUENCE CHARACTERISTICS (M):

(A) LENGTH (sequence length, expressed as number of base pairs or amino acid residues):

(B) TYPE (sequence type, i.e., whether nucleic acid or amino acid):

(C) STRANDEDNESS (if nucleic acid, number of strands of source organism molecule, i.e., whether single stranded, double stranded, both or unknown to applicant):

(D) TOPOLOGY (whether source organism molecule is circular, linear, both or unknown to applicant)

(ii) MOLECULE TYPE (type of molecule sequenced in SEQ ID NO:X (at least one of the following should be included with subheadings, if any, in Sequence Listing - R):

- Genomic RNA;
- Genomic DNA;
- mRNA
- tRNA;
- rRNA;
- snRNA;
- scRNA;
- preRNA;
- cDNA to genomic RNA;
- cDNA to mRNA;
- cDNA to tRNA;
- cDNA to rRNA;
- cDNA to snRNA;
- cDNA to scRNA;
- Other nucleic acid;

(A) DESCRIPTION (four lines maximum):

- protein and
- peptide.

(iii) HYPOTHETICAL (yes/no - R):

(iv) ANTI-SENSE (yes/no - R):

(v) FRAGMENT TYPE (for proteins and peptides only, at least one of the following should be included in the Sequence Listing - R):

- N-terminal fragment;
- C-terminal fragment and
- internal fragment.

(vi) ORIGINAL SOURCE (original source of molecule sequenced in SEQ ID NO:X - R):

(A) ORGANISM (scientific name of source organism):

(B) STRAIN:

(C) INDIVIDUAL ISOLATE (name/number of individual/isolate):

(D) DEVELOPMENTAL STAGE (give developmental stage of source organism and indicate whether derived from germ-line or rearranged developmental pattern):

(E) HAPLOTYPE:

(F) TISSUE TYPE:

(G) CELL TYPE:

(H) CELL LINE:

(I) ORGANELLE:

(vii) IMMEDIATE SOURCE (immediate experimental source of the sequence in SEQ ID NO:X - R):

(A) LIBRARY (library -type, name):

(B) CLONE (clone(s)):

(viii) POSITION IN GENOME (position of sequence in SEQ ID NO:X in genome - R):

(A) CHROMOSOME/SEGMENT (chromosome/segment - name/number):

(B) MAP POSITION:

(C) UNITS (units for map position, i.e., whether units are genome percent, nucleotide number or other/specify):

(ix) FEATURE (description of points of biological significance in the sequence in SEQ ID NO:X - R/rep):

(A) NAME/KEY (provide appropriate identifier for feature - four lines maximum):

(B) LOCATION (specify location according to syntax of DDBJ/EMBL/GenBank Feature Tables Definition, including whether feature is on complement of presented sequence; where appropriate state number of first and last bases/amino acids in feature - four lines maximum):

(C) IDENTIFICATION METHOD (method by which the feature was identified, i.e., by experiment, by similarity with known sequence or to an established consensus sequence, or by similarity to some other pattern - four lines maximum):

(D) OTHER INFORMATION (include information on phenotype conferred, biological activity of sequence or its product, macromolecules which bind to sequence or its product, or other relevant information - four lines maximum):

(x) PUBLICATION INFORMATION (Repeat section for each relevant publication - O/rep):

(A) AUTHORS (maximum of first ten named authors of publication; specify one name per line: SURNAME comma OTHER NAMES and/or INITIALS - rep):

(B) TITLE (title of publication):

(C) JOURNAL (journal name in which data published):

(D) VOLUME (journal volume in which data published):

(E) ISSUE (journal issue number in which data published):

(F) PAGES (journal page numbers in which data published):

(G) DATE (journal date in which data published; specify as dd-MMM-yyyy, MMM-YYYY or Season-YYYY):

(H) DOCUMENT NUMBER (document number, for patent type citations only; specify as two letter country code, eight digit document number (right justified), one letter and, as appropriate, one number or a space as a document type code; or if a PCT application, specify as the letters PCT, a slash, a two digit indication of the year, a slash and a five digit number; or if a PCT publication, specify as the two letters WO, a two digit indication of the year, a slash and a five digit publication number):

(I) FILING DATE (document filing date, for patent-type citations only; specify as dd-MMM-yyyy):

(J) PUBLICATION DATE (document publication date; for patent-type citations only, specify as dd-MMM-yyyy):

(K) RELEVANT RESIDUES In SEQ ID NO:X (rep): FROM (position) TO (position)

(xi) SEQUENCE DESCRIPTION: SEQ ID NO:X:

§ 1.824 Form and format for nucleotide and/or amino acid sequence submissions In computer readable form.

(a) The computer readable form required by § 1.821(e) shall contain a printable copy of the "Sequence Listing," as defined in §§ 1.821(c), 1.822 and 1.823, recorded as a single file on either a diskette or a magnetic tape. The computer readable form shall be encoded and formatted such that a printed copy of the "Sequence Listing" may be recreated using the print commands of the computer/operating-system configuration specified in paragraph (f) of this section.

(b) The file in paragraph (a) of this section shall be encoded in a subset of the American Standard Code for Information Interchange (ASCII). This subset shall consist of all the printable ASCII characters including the ASCII space character plus line-termination, pagination and end-of-file characters associated

with the computer/operating-system configurations specified in paragraph (f) of this section. No other characters shall be allowed.

(c) The computer readable form may be created by any means, such as word processors, nucleotide/amino acid sequence editors or other custom computer programs; however, it shall be readable by one of the computer/operating-system configurations specified in paragraph (f) of this section, and shall conform to the specifications in paragraphs (a) and (b) of this section.

(d) The entire printable copy of the "Sequence Listing" shall be contained within one file on a single diskette or magnetic tape unless it is shown to the satisfaction of the Commissioner that it is not practical or possible to submit the entire printable copy of the "Sequence Listing" within one file on a single diskette or magnetic tape.

(e) The submitted diskette or tape shall be write-protected such as by covering or uncovering diskette holes, removing diskette write tabs or removing tape write rings.

(f) As set forth in paragraph (c), above, any means may be used to create the computer readable form, as long as the following conditions are satisfied. A submitted diskette shall be readable on one of the computer/operating-system configurations described in paragraphs (1) through (3), below. A submitted tape shall satisfy the format specifications described in paragraph (4), below.

- (1) Computer: IBM PC/XT/AT, IBM PS/2 or compatibles;
Operating system: PC-DOS or MS-DOS (Versions 2.1 or above);
Line Terminator: ASCII Carriage Return plus ASCII Line Feed;
Pagination: ASCII Form Feed or Series of Line Terminators;
End-of-File: ASCII SUB (Ctrl-Z);
Media:
Diskette - 5.25 inch, 360 Kb storage;
Diskette - 5.25 inch, 1.2 Mb storage;
Diskette - 3.50 inch, 720 Kb storage;
Diskette - 3.5 inch, 1.44 Mb storage;
Print Command: PRINT filename.extension;
- (2) Computer: IBM PC/XT/AT, IBM PS/2 or compatibles;
Operating system: Xenix;
Line Terminator: ASCII Carriage Return;
Pagination: ASCII Form Feed or Series of Line Terminators;
End-of-File: None;
Media:
Diskette - 5.25 inch, 360 Kb storage;
Diskette - 5.25 inch, 1.2 Mb storage;
Diskette - 3.50 inch, 720 Kb storage;
Diskette - 3.5 inch, 1.44 Mb storage;
Print Command: lpr filename;
- (3) Computer: Apple Macintosh;
Operating System: Macintosh;
Macintosh File Type: text with line termination
Line Terminator: Pre-defined by text type file;
Pagination: Pre-defined by text type file;
End-of-file: Pre-defined by text type file;
Media:
Diskette - 3.50 inch, 400 Kb storage;
Diskette - 3.50 inch, 800 Kb storage;
Diskette - 3.50 inch, 1.4 Mb storage;
Print Command: Use PRINT command from any Macintosh Application that processes text files, such as MacWrite or TeachText;
- (4) Magnetic tape: 0.5 inch, up to 2400 feet;
Density: 1600 or 6250 bits per inch, 9 track;

Format: raw, unblocked;
Line Terminator: ASCII Carriage Return plus optional ASCII Line Feed;
Pagination: ASCII Form Feed or Series of Line Terminators;
Print Command (Unix shell version given here as sample response - mt/dev/rmt0;lpr<dev/r mt0):

(g) Computer readable forms that are submitted to the Office will not be returned to the applicant.

(h) All computer readable forms shall have a label permanently affixed thereto on which has been hand printed or typed, a description of the format of the computer readable form as well as the name of the applicant, the title of the invention, the date on which the data were recorded on the computer readable form and the name and type of computer and operating system which generated the files on the computer readable form. If all of this information can not be printed on a label affixed to the computer readable form, by reason of size or otherwise, the label shall include the name of the applicant and the title of the invention and a reference number, and the additional information may be provided on a container for the computer readable form with the name of the applicant, the title of the invention, the reference number and the additional information affixed to the container. If the computer readable form is submitted after the date of filing under 35 U.S.C. 111, after the date of entry in the national stage under 35 U.S.C. 371 or after the time of filing, in the United States Receiving Office, an international application under the PCT, the labels mentioned herein must also include the date of the application and the application number, including series code and serial number.

§ 1.825 Amendments to or replacement of sequence listing and computer readable copy thereof.

(a) Any amendment to the paper copy of the "Sequence Listing" (§ 1.821(c)) must be made by the submission of substitute sheets. Amendments must be accompanied by a statement that indicates support for the amendment in the application, as filed, and a statement that the substitute sheets include no new matter. Such a statement must be a verified statement if made by a person not registered to practice before the Office.

(b) Any amendment to the paper copy of the "Sequence Listing," in accordance with paragraph (a) of this section, must be accompanied by a substitute copy of the computer readable form (§ 1.821(e)) including all previously submitted data with the amendment incorporated therein, accompanied by a statement that the copy in computer readable form is the same as the substitute copy of the "Sequence Listing." Such a statement must be a verified statement if made by a person not registered to practice before the Office.

(c) Any appropriate amendments to the "Sequence Listing" in a patent, e.g., by reason of reissue or certificate of correction, must comply with the requirements of paragraphs (a) and (b) of this section.

(d) If, upon receipt, the computer readable form is found to be damaged or unreadable, applicant must provide, within such time as set by the Commissioner, a substitute copy of the data in computer readable form accompanied by a statement that the substitute data is identical to that originally filed. Such a statement must be a verified statement if made by a person not registered to practice before the Office.

April 20, 1990

HARRY F. MANBECK
Asst. Secretary and
Commissioner of Patents
and Trademarks

APPENDIX I

SAMPLE SEQUENCE LISTING

(1) GENERAL INFORMATION:

- (i) **APPLICANT:** Doe, Joan X.
Doe, John Q.
- (ii) **TITLE OF INVENTION:** Isolation and Characterization of a Gene Encoding a Protease from *Paramecium* sp.
- (iii) **NUMBER OF SEQUENCES:** 2
- (iv) **CORRESPONDENCE ADDRESS:**
 - (A) **ADDRESSEE:** Smith and Jones
 - (B) **STREET:** 123 Main Street
 - (C) **CITY:** Smalltown
 - (D) **STATE:** Anystate
 - (E) **COUNTRY:** USA
 - (F) **ZIP:** 12345
- (v) **COMPUTER READABLE FORM:**
 - (A) **MEDIUM TYPE:** Diskette, 3.50 inch, 800 Kb storage
 - (B) **COMPUTER:** Apple Macintosh
 - (C) **OPERATING SYSTEM:** Macintosh 5.0
 - (D) **SOFTWARE:** MacWrite
- (vi) **CURRENT APPLICATION DATA:**
 - (A) **APPLICATION NUMBER:** 09/999,999
 - (B) **FILING DATE:** 28-FEB-1989
 - (C) **CLASSIFICATION:** 999/99
- (vii) **PRIOR APPLICATION DATA:**
 - (A) **APPLICATION NUMBER:** PCT/US88/99999
 - (B) **FILING DATE:** 01-MAR-1988
- (viii) **ATTORNEY/AGENT INFORMATION:**
 - (A) **NAME:** Smith, John A.
 - (B) **REGISTRATION NUMBER:** 00001
 - (C) **REFERENCE/DOCKET NUMBER:** 01-0001
- (ix) **TELECOMMUNICATION INFORMATION:**
 - (A) **TELEPHONE:** (909)999-0001
 - (B) **TELEFAX:** (909)999-0002

(2) INFORMATION FOR SEQ ID NO:1:

- (i) **SEQUENCE CHARACTERISTICS:**
 - (A) **LENGTH:** 954 base pairs
 - (B) **TYPE:** nucleic acid
 - (C) **STRANDEDNESS:** single
 - (D) **TOPOLOGY:** linear
- (ii) **MOLECULE TYPE:** genomic DNA
- (iii) **HYPOTHETICAL:** yes
- (iv) **ANTI-SENSE:** no
- (vi) **ORIGINAL SOURCE:**
 - (A) **ORGANISM:** *Paramecium* sp
 - (C) **INDIVIDUAL/ISOLATE:** XYZ2
 - (G) **CELL TYPE:** unicellular organism
- (iv) **IMMEDIATE SOURCE:**
 - (A) **LIBRARY:** genomic
 - (B) **CLONE:** Para-XYZ2/36
- (x) **PUBLICATION INFORMATION:**
 - (A) **AUTHORS:** Doe, Joan X.
Doe, Joan Q.
 - (B) **TITLE:** Isolation and Characterization of a Gene Encoding a Protease from *Paramecium* sp.
 - (C) **JOURNAL:** Fictional Genes
 - (D) **VOLUME:** I
 - (E) **ISSUE:** 1
 - (F) **PAGES:** 1-20
 - (G) **DATE:** 02-MAR-1988
 - (K) **RELEVANT RESIDUES IN SEQ ID NO:1:** FROM 1 TO 954

(xi) SEQUENCE DESCRIPTION: SEQ ID NO:1:

ATCGGGATAG TACTGGTCAA GACCGGTGGA CACCGGTAA CCCCGGTTAA GTACCGGTTA 60
TAGGCCATTT CAGGCCAAAT GTGCCAACT ACGCCAATTG TTTTGCCAAC GGCCAACGTT 120
ACGTTTCGTAC GCACGTATGT ACCTAGGTAC TTACGGACGT GACTACGGAC ACTTCCGTAC 180
GTACGTACGT TTACGTACCC ATCCCAACGT AACCACAGTG TGGTCGCAGT GTCCCAGTGT 240
ACACAGACTG CCAGACATTC TTCACAGACA CCCC ATG ACA CCA CCT GAA CGT CTC 295
Met Thr Pro Pro Glu Arg Leu
-30

TTC CTC CCA AGG GTG TGT GGC ACC ACC CTA CAC CTC CTC CTT CTG GGG 343
Phe Leu Pro Arg Val Cys Gly Thr Thr Leu His Leu Leu Leu Leu Gly
-25 -20 -15

CTG CTG CTG GTT CTG CTG CCT GGG GCC CAT GTGAGGCAGC AGGAGAATGG 393
Leu Leu Leu Val Leu Leu Pro Gly Ala His
-10 -5

GGTGGCTCAG CCAAACCTTG AGCCCTAGAG CCCCCCTCAA CTCTGTTCTC CTAG GGG 450
Gly

CTC ATG CAT CTT GCC CAC AGC AAC CTC AAA CCT GCT GCT CAC CTC ATT 498
Leu Met His Leu Ala His Ser Asn Leu Lys Pro Ala Ala His Leu Ile
1 5 10 15

GTAAACATCC ACCTGACCTC CCAGACATGT CCCCACCAGC TCTCCTCTA CCCCTGCCTC 558

AGGAACCCAA GCATCCACCC CTCTCCCCCA ACTTCCCCCA CGCTAAAAAA AACAGAGGGA 618

GCCCACTCCT ATGCCTCCCC CTGCCATCCC CCAGGAACTC AGTTGTTCAG TGCCCACTTC 678

TAC CCC AGC AAG CAG AAC TCA CTG CTC TGG AGA GCA AAC ACG GAC CGT 726
Tyr Pro Ser Lys Gln Asn Ser Leu Leu Trp Arg Ala Asn Thr Asp Arg
20 25 30

GCC TTC CTC CAG GAT GGT TTC TCC TTG AGC AAC AAT TCT CTC CTG GTC 774
Ala Phe Leu Gln Asp Gly Phe Ser Leu Ser Asn Asn Ser Leu Leu Val
35 40 45

TAGAAAAAAT AATTGATTTT AAGACCTTCT CCCCATTCGT CCTCCATTCT GACCATTTC 834

GGGGTCGTCA CCACCTCTCC TTTGGCCATT CCAACAGCTC AAGTCTTCCC TGATCAAGTC 894

ACCGGAGCTT TCAAAGAAGG AATTCTAGGC ATCCAGGGG ACCCACACCT CCCTGAACCA 954

(2) INFORMATION FOR SEQ ID NO:2:

(i) SEQUENCE CHARACTERISTICS:

- (A) LENGTH: 82 amino acids
(B) TYPE: amino acid
(D) TOPOLOGY: linear

(ii) MOLECULE TYPE: protein

(vii) FEATURE:

- (A) NAME/KEY: signal sequence
(B) LOCATION: -34 to -1
(C) IDENTIFICATION METHOD: similarity to other signal sequences, hydrophobic
(D) OTHER INFORMATION: expresses protease

(x) PUBLICATION INFORMATION:

- (A) AUTHORS: Doe, Joan X.
Doe, John Q.
(B) TITLE: Isolation and Characterization of a Gene Encoding a Protease from *Paramecium* sp.
(C) JOURNAL: Fictional Genes
(D) VOLUME: 1
(E) ISSUE: 1
(F) PAGES: 1-20
(G) DATE: 02-MAR-1988
(K) RELEVANT RESIDUES IN SEQ ID NO:2: FROM -34 TO 48

(xi) SEQUENCE DESCRIPTION: SEQ ID NO:2:

Met Thr Pro Pro Glu Arg Leu Phe Leu Pro Arg Val Cys Gly Thr Thr
-30 -25

Leu His Leu Leu Leu Gly Leu Leu Leu Val Leu Leu Pro Gly Ala
-15 -10 -5

His Gly Leu Met His Leu Ala His Ser Asn Leu Lys Pro Ala Ala His
1 5 10

Leu Ile Tyr Pro Ser Lys Gln Asn Ser Leu Leu Trp Arg Ala Asn Thr
15 20 25 30

Asp Arg Ala Phe Leu Gln Asp Gly Phe Ser Leu Ser Asn Asn Ser Leu
35 40 45

Leu Val

APPENDIX II
HEADINGS FOR INFORMATION ITEMS IN § 1.823

(1) GENERAL INFORMATION:

- (i) APPLICANT:**
- (ii) TITLE OF INVENTION:**
- (iii) NUMBER OF SEQUENCES:**
- (iv) CORRESPONDENCE ADDRESS:**

- (A) ADDRESSEE:**
- (B) STREET:**
- (C) CITY:**
- (D) STATE:**
- (E) COUNTRY:**
- (F) ZIP:**

(v) COMPUTER READABLE FORM:

- (A) MEDIUM TYPE:**
- (B) COMPUTER:**
- (C) OPERATING SYSTEM:**
- (D) SOFTWARE:**

(vi) CURRENT APPLICATION DATA:

- (A) APPLICATION NUMBER:**
- (B) FILING DATE:**
- (C) CLASSIFICATION:**

(vii) PRIOR APPLICATION DATA:

- (A) APPLICATION NUMBER:**
- (B) FILING DATE:**

(viii) ATTORNEY/AGENT INFORMATION:

- (A) NAME:**
- (B) REGISTRATION NUMBER:**
- (C) REFERENCE/DOCKET NUMBER:**

(ix) TELECOMMUNICATION INFORMATION:

- (A) TELEPHONE:**
- (B) TELEFAX:**
- (C) TELEX:**

(2) INFORMATION FOR SEQ ID NO:X:

(i) SEQUENCE CHARACTERISTICS:

(A) LENGTH:

(B) TYPE:

(C) STRANDEDNESS:

(D) TOPOLOGY:

(ii) MOLECULE TYPE:

-Genomic RNA;

-Genomic DNA;

-mRNA;

-tRNA;

-rRNA;

-snRNA;

-scrRNA;

-preRNA;

-cDNA to genomic RNA;

-cDNA to mRNA;

-cDNA to tRNA;

-cDNA to rRNA;

-cDNA to snRNA;

-cDNA to scrRNA;

-Other nucleic acid;

(A) DESCRIPTION:

-protein and

-peptide.

(iii) HYPOTHETICAL:

(iv) ANTI-SENSE:

(v) FRAGMENT TYPE:

(vi) ORIGINAL SOURCE:

(A) ORGANISM:

(B) STRAIN:

(C) INDIVIDUAL ISOLATE:

(D) DEVELOPMENTAL STAGE:

(E) HAPLOTYPE:

(F) TISSUE TYPE:

(G) CELL TYPE:

(H) CELL LINE:

(I) ORGANELLE:

(vii) IMMEDIATE SOURCE:

(A) LIBRARY:

(B) CLONE:

(viii) POSITION IN GENOME:

(A) CHROMOSOME/SEGMENT:

(B) MAP POSITION:

(C) UNITS:

(ix) FEATURE:

(A) NAME/KEY:

(B) LOCATION:

(C) IDENTIFICATION METHOD:

(D) OTHER INFORMATION:

(x) PUBLICATION INFORMATION:

(A) AUTHORS:

(B) TITLE:

(C) JOURNAL:

(D) VOLUME:

(E) ISSUE:

(F) PAGES:

(G) DATE:

(H) DOCUMENT NUMBER:

(I) FILING DATE:

(J) PUBLICATION DATE:

(K) RELEVANT RESIDUES:

(xi) SEQUENCE DESCRIPTION: SEQ ID NO:X:

(86) Availability of PatentIn Computer Program and Policy Regarding Enforcement of the Requirements for Patent Applications Containing Nucleotide Sequence and/or Amino Acid Sequence Disclosure

The Patent and Trademark Office (PTO) has developed a computer program, called PatentIn, that will facilitate compliance with the Requirements for Patent Applications Containing Nucleotide Sequence and/or Amino Acid Sequence Disclosures (sequence rules: 37 CFR §§ 1.821 through 1.825). (Final rules were published in the *Federal Register*, 55 Fed. Reg. 18230 (May 1, 1990), and in the *Official Gazette*, 1114 O.G. 29 (May 15, 1990).)

The PatentIn program is now available. The program is only available for IBM PC XT, AT, PS/2 and compatible systems, having hard disk drives. Installation of PatentIn on a hard disk requires a minimum of 1.2 megabytes free disk space. The program further requires a PC with 550 kilobytes free in RAM (random access memory). The program is available on 3 1/2" or 5 1/4" diskettes. While the PatentIn program is not intended to be the sole means for complying with the sequence rules, it should be noted that it was designed to facilitate compliance with all of the mandatory and optional requirements of the rules.

The PTO did not receive the final version of the PatentIn program until after the effective date of the sequence rules. In view of this delay, the PTO has delayed sending notices to comply with the sequence rules in those applications filed that have not attempted to comply with the rules. Although the effective date of the sequence rules remains Oct. 1, 1990, and all applications filed on or thereafter must eventually comply with the rules, a grace period with respect to enforcement of the rules for most applications will be in effect until Feb. 15, 1991. At that time, notices to comply will be mailed in all applications, containing nucleotide sequence and/or amino acid sequence disclosures filed on or after Oct. 1, 1990, that have not complied or do not comply with the rules.

Requests for copies of the PatentIn program and associated materials should be made in writing, addressed to the Commissioner of Patent and Trademarks, Washington, D.C. 20231, Attention: Lois E. Boland; Special Program Examiner, Office of the Assistant Commissioner for Patents-Crystal Park 2, Ste. 919. Request should include a check for \$480.00 or the requisite authorization to charge a PTO Deposit Account. If Applicable, requests should also specify diskette size. Any questions about the sequence rules or this notice should be directed to Lois E. Boland, by telephone, at (703) 557-8384.

Dec. 19, 1990

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1122 OG 620]

(87) Examination of Claims For Patentability Under 35 U.S.C. 103

The purpose of this notice is to inform the public of the current Patent and Trademark Office policy concerning determinations of obviousness under 35 U.S.C. 103 in view of the recent Supreme Court decision in *Sakraida v. Ag Pro*, 189 USPQ 449 (1976).

The following text is a copy of a memorandum issued to all patent examining personnel relative to this topic. "A clarification of the policy of the Patent and Trademark Office in the examination of claims for patentability under 35 U.S.C. 103 seems in order at this time in view of the Supreme Court's decision in *Sakraida v. Ag Pro*, 189 USPQ 449 (decided April 20, 1976) which is similar to the Court's earlier decision in *Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 163 USPQ 673 (decided December 8, 1969). "Office policy has consistently been to follow *Graham v. John Deere Co.*, 148 USPQ 4559 (decided February 21, 1966) in the consideration and determination of obviousness under 35 U.S.C. 103. The three factual inquiries enunciated therein as a background for determining obviousness are as follows:

1. Determination of the scope and content of the prior art;

2. Ascertaining the differences between the prior art and the claims in issue; and
3. Resolving the level of ordinary skill in the pertinent art.

"Attention is directed to MPEP Section 706 for a more complete discussion of the application of the Graham test. "The Supreme Court reaffirmed and relied upon the Graham three-pronged test in its consideration and determination of obviousness in the fact situations presented in both the *Ag Pro* and *Black Rock* decisions. In each case, the Court went on to discuss whether the claimed combinations produced a 'new or different function' and a 'synergistic result,' but clearly decided whether the claimed inventions were unobvious on the basis of the three-way test in *Graham*. Nowhere in its decisions in those cases does the Court state that the 'new or different function' and 'synergistic result' tests supersede a finding of unobviousness or obviousness under the *Graham* test. "Accordingly, examiners should continue to apply the test for patentability under 35 U.S.C. 103 set forth in *Graham*. It should be noted that the Supreme Court's application of the *Graham* test to the fact circumstances in *Ag Pro* is somewhat stringent, as it was in *Black Rock*."

C. MARSHALL DANN,
*Commissioner of Patents
& Trademarks.*

July 8, 1976.

[949 O.G. 3]

(88) Translations of Foreign Language References

Frequently, Office actions cite references that are in a foreign language. In the event a translation of the entire text or portion of the text of the reference is readily available in the examiners' search files, a copy of the translation will normally be included with the Office action. However, applicants are cautioned that the inclusion of a translation with a foreign language reference should not be construed to mean that the examiner used or relied on the translation, or that it is accurate or an official translation made by the Patent and Trademark Office.

While this service may be infrequent, it could be increased by the submission of translations by the applicant to the Office. Accordingly, it is requested that translations of foreign language references be transmitted to the Office, and in particular be transmitted with the response to the Office action or in a separate envelope addressed to: Commissioner of Patents and Trademarks, Washington, D.C. 20231. In addition, it would be of great assistance to the Office in filing the translation, if the translation carried the following: 1. an identification of the foreign language reference and, where possible, 2. its location in the examiners' search files (e.g. location should be known if reference was cited in Office action). If identifying information is not available, the incoming translation should carry the name "Scientific Library" thereon so that it can be processed by the Library.

Oct. 26, 1977.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

[964 O.G. 24]

(89) Restriction Between Inventions

The practice set out in the notice of June 20, 1968 (852 O.G. 509) is hereby revised as follows.

Under the statute an application may properly be required to be restricted to one of two or more claimed inventions only if they are able to support separate patents and they are either independent or distinct.

If it is demonstrated that two or more claimed inventions have no disclosed relationship ("independent"), restriction should be required, and it is not necessary to further show that the claimed inventions are distinct. If it is demonstrated that two or more claimed inventions have a disclosed relationship ("dependent"), then a showing of distinctness is required to substantiate a restriction requirement.

Where inventions are neither independent nor distinct, one from the other, or they are not sufficiently different to support more than one patent, their joinder in a single application must be permitted.

Every requirement to restrict has two aspects, (1) the reasons (as distinguished from the mere statement of conclusion) why the inventions *as claimed* are either independent or distinct, and (2) the reasons for insisting upon restriction therebetween.

In order to support a requirement to restrict between combination and subcombination inventions, two-way distinctness must be demonstrated.

If it can be shown that a combination, as claimed (1) does not require the particulars of the subcombination as claimed for patentability, and (2) the subcombination can be shown to have utility either by itself or in other and different relations, the inventions are distinct. When these factors cannot be shown, such inventions are not distinct.

Two or more claimed subcombinations, disclosed as usable together in a single combination, and which can be shown to be separately usable, are usually distinct from each other.

In applications claiming inventions in different statutory categories only one-way distinctness is needed to support a restriction requirement. For example, in applications containing claims to both process and apparatus, distinctness may be shown if (1) the process as claimed can be practiced by hand or by another materially different apparatus, or (2) the apparatus as claimed can be used to practice another and materially different process.

As in the notice of May 1, 1974 concerning Markush-Type claims (922 O.G. 1016), if the search and examination of an entire application can be made without serious burden, the examiner is encouraged to examine it on the merits, even though it includes claims to distinct or independent inventions.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

Apr. 9, 1975.

[934 O.G. 450]

(90) Restriction Policy and Practice

The purpose of this notice is to inform the public of the results of the survey that was conducted on restriction requirements made under 35 U.S.C. 121 in the Patent Examining Groups and to report clarifications that have been implemented as a result of a review of restriction policy and practice.

The survey involved about 320 patent applications in which a restriction only Office action had been prepared by an examiner in the period between July—Sept. 1983. The selection of applications was proportioned among Groups according to the volume of restriction requirements during the period. The statistics collected (Appendix A) and the definitions (Appendix B) for each item on the survey form are provided at the end of this notice.

Some of the significant findings of the survey include:

- 19% (61/320) of the requirements surveyed were not reasonable based on a review of the record
- 35% (88/249) of the requirements surveyed (not involving an election of species) were not supported by any reasons, or contained reasons which were clearly inapplicable to the facts
- 41% (53/128) of the actions following an election and traverse did not address the arguments contained in the traverse
- 91% (48/53) of a sample of 53 applications surveyed—the attorney or agent of record had no record of receiving a telephone call requesting an oral election

In response to the results of this survey, existing guidelines in Chapter 800 of the Manual of Patent Examining Procedure (MPEP) have been reviewed with each examiner and supervisor in the Patent Examining Corps in order to promote uniformity of practice and compliance with existing guidelines. A follow-up survey will be conducted in early 1985. In addition, as a result of a review of our existing policy and guidelines, the following clarifications have been made:

- (1) Telephone Practice (MPEP 812.01)
Except in those cases where the requirement for restriction is complex, the application is being prosecuted by the applicant pro se, or the examiner knows from past experience that an election will not be made by phone, the examiner should make a telephone call to the attorney or agent of record and request an oral election in accordance with MPEP 812.01, first paragraph.

If an election cannot, or will not, be made orally at the time of the call or within a reasonable time thereafter, generally three working days, the Office action requiring the election in writing should contain the following sentence

"A telephone call was made to (name of attorney or agent) on (date) to request an oral election to the above restriction requirement, but did not result in an election being made."

- (2) Multiple Inventions In A Continuing Application
Where claims to multiple inventions within the meaning of 35 U.S.C. 121 are presented in a continuing application (continuation, division, continuation-in-part including those which may be filed under 37 CFR 1.60 or 1.62), the examiner should make (or repeat) an appropriate requirement for restriction and require an election by the applicant UNLESS

(1) the applicant acknowledges the previous requirement in the parent application and clearly indicates which invention is to be prosecuted if the requirement is repeated. The examiner should make any proper requirement for restriction in the first Office action, state how applicant has indicated an election (e.g. statement in a preliminary amendment or transmittal letter), and include an action on the merits on the claims of the elected invention;

or

- (2) The application is a continuation, but not a division or CIP filed as a File Wrapper Continuation (FWC) under 37 CFR 1.62. The examiner should assume that the requirement and election made in the parent application carries over unless otherwise indicated by applicant. The examiner's first action should include a repetition of the restriction requirement made in the parent application to the extent it is still applicable in the continuation and an indication that prosecution is being continued on the invention elected and prosecuted by applicant in the parent application.

The policy and practice of making requirements final and seeking review by way of petition (37 CFR 1.144) remains unchanged in a continuing application, whether a requirement for election was first made in the parent and renewed in the continuation application or was made for the first time in the continuation application.

- (3) Product, Process of Making, Process of Using (MPEP 806.05(i))
Practice in this situation is being amended to conform to Rule 13.2(i) of the Patent Cooperation Treaty (PCT) so that a three way requirement can be required only where the process of making is not "specially adapted" to make the product (i.e. the requirements of MPEP 806.05(f) are met). Otherwise, the process of using must be joined with the claims directed to the product and the process of making the product even though a showing of distinctness between the product and process of using the product (MPEP 806.05(h)) could be made. A determination of the patentability of the product need not be made prior to making a requirement for restriction.

The Manual of Patent Examining Procedure will be revised to reflect these clarifications in the next revision.

GERALD MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

Aug. 1, 1984.

[1046 O.G. 2]

(91) Restriction Practice Survey II

This notice is intended to inform the public of the results of a follow-up survey of applications containing a written restriction requirement. The results of the first survey were

reported in the *Official Gazette* on Sept. 4, 1984 (1046 OG 2; Restriction Policy and Practice). Survey II involved 319 applications selected at random in the Patent Examining Groups from those in which a restriction only action had been credited to an examiner in the period of July—Sept. 1984. This period was after the Corps Management Meeting on June 5, 1984 in which restriction policy and practice were reviewed with all SPEs and Directors, and followed the distribution of review materials to all examiners. The results of Survey II showed significant improvements over the results of Survey I, but the results were still not considered satisfactory in several aspects.

Survey Procedure: The selection of applications was generally proportioned among the Groups to correspond to the relative proportion of restriction only actions that were completed in each Group in the last quarter of FY 84. A minimum of ten applications were surveyed from each Group. The distribution was as follows:

110-16	210-11	310-10
120-37	220-10	320-18
130-33	230-10	330-24
150-47	240-30	340-30
	250-13	350-20
	260-10	

TOTALS	133	84	102
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The survey team consisted of the same people who conducted the first survey. One person from the survey team reviewed each selected application file and completed the survey form regarding the restriction requirement(s) in the file. The same survey form was used in each survey.

In the event an application file could not be located or was not readily available, a different application was selected for the survey. In general, the substitute application was selected from those requirements completed by the same examiner assigned to the original application.

The survey did not include any design applications.

Survey Results: Statistical results of the survey are set forth on the survey form used in the Appendix including summaries on a Corps and discipline level. References in this notice to "Item" refer to the numbered items indicated on the survey form. These results indicate an improvement in all areas as which were identified as acute problems in the first survey. We did not do a telephone survey to determine whether applicant's representative had been called prior to writing the requirement.

In addition to the survey, the statistics on restriction requirements before and after the training effort following the first survey are of interest. Statistics show that the number of restriction only actions has decreased 36% Corps-wide (52% in Group 120 which had the highest volume in the first survey) following our training effort. These statistics are shown below.

Quarter	Total First Actions	Total Corps Restriction Requirements	Group 120 Restriction Requirements
Apr-Jun 1984	32,035	2,771	514
Jul-Sep 1984	32,216	1,939	220
Oct-Dec 1984	28,158	1,522	212
	(32,358)*	(1,775)*	(247)*
Oct-Dec vs Apr-Jun		—36%	—52%.

*Figures adjusted (7/6 of actual) to reflect a 7 pay period quarter for comparison with the Apr.- June and July- Sept. quarters which included 7 pay periods.

In addition, 24% of the applications in the second survey contained a specific reference to a telephone call that was made by the examiner, but did not result in an election being made. It was also apparent that some of the requirements were sufficiently complex to warrant a written communication.

The applications reviewed in the second survey resulted in the conclusion that 9% of the requirements that were made were not reasonable on the record that was reviewed (Item 10 -30/319). This compares to 19% (61/320) in the first survey. Of the 30 cases in which a conclusion of unreasonableness was made,

the requirement was traversed in 22 (73%) of those cases, not traversed in 7 cases (23%), and no response was filed in 1 case. In the 22 cases where the unreasonable requirement was traversed, the requirement was withdrawn in 10 cases, not withdrawn in 8 cases, and no subsequent action had been made in 4 cases. In the first survey, 11 unreasonable requirements were withdrawn out of 61 made. The survey form on each of the unreasonable requirements in the second survey was returned and discussed with the Group Director.

In our opinion, the reasons provided by the examiner for insisting upon restriction were not proper (either non-existent or based on the wrong criteria) in 18% (Item 5j-57/319) of the applications surveyed—compared to 35% in the first survey. In many of these cases, the reviewer determined that the requirement was justified, but for reasons which the examiner did not set forth in the requirement.

Our second survey revealed that applicant had traversed the requirements in 134 cases (Item 7c), and that where the examiner had given another action in those cases (Item 8-98), the reasons in the traverse had not been responded to in 30% (Item 8b-30/98) of the cases. This represents a very modest improvement of the results in the first survey where 41% (53/128) had not responded to the arguments presented in applicants traverse.

In addition to the statistical results, the survey team met to discuss some of the problems observed during the survey. Several members of the team again observed that problems were more likely to arise where complex requirements involving a large number of claims and/or inventions are encountered, and where the claim schedule required the application of combination—sub-combination criteria to show patentable distinctness (MPEP 806.05c—two-way distinctness). Where three or more inventions are presented in a single application, it was observed that the examiner rarely showed distinctness among all of the combinations of groups (e.g. I-II, II-III, I-III). Another observation that was frequently made was that many of the problems with incomplete requirements could have been avoided by the use of the form paragraphs and associated instructions.

Further Action: While the second survey indicated that significant improvements have been realized in our pursuit of uniformity in restriction practice, we have not achieved an acceptable level of performance in several areas. The same types of problems predominated in each survey, but are now at a reduced level. There is clearly a continuing need for supervisory review.

Supervisors will take the opportunity to emphasize the following points to examiners in their Art Units:

- (1) Use of telephone when appropriate to minimize pendency time;
- (2) Reasons to support the requirement (to satisfy the criteria for independence of patentable distinctness) and reasons for insisting upon restriction should be given in each written requirement. Mere conclusions are not sufficient;
- (3) The substance of arguments contained in applicant's traverse should be responded to in the Office action following the traverse;
- (4) A showing of two-way distinctness is required in situations where combination-subcombination criteria are applicable (MPEP 806.05c); and
- (5) Use of appropriate form paragraphs should be encouraged.

In addition, each Group will review all restriction requirements made in the Group in a pay period at least once every six months.

Finally, review of restriction practice will not be made a component part of the Quality Review Program on an ongoing basis because of the desirability of identifying problems of this type before prosecution is over and the desirability of maintaining their focus on substantive issues. Of course, the Quality Review Staff will continue to bring problems with restriction requirements to the attention of the Director when they are encountered in the course of their review procedures.

DONALD J. QUIGG,
Acting Commissioner of Patents
and Trademarks.

(92) Revised Practice Re Markush-Type Claims

This notice deals with Markush-type generic claims which include a plurality of alternatively usable substances or members. In most cases, a recitation by enumeration is used because there is no appropriate or true generic language. In many cases, the Markush-type claims include independent and distinct inventions. This is true where two or more of the members are so unrelated and diverse that a prior art reference anticipating the claim with respect to one of the members would not render the claim obvious under 35 U.S.C. 103 with respect to the other member(s).

In applications containing claims of that nature, the Examiner may require a provisional election of a single species prior to examination on the merits. The provisional election will be given effect in the event that the Markush-type claim will be examined fully with respect to the elected species and further to the extent necessary to determine patentability. Should the Markush-type claim be found not allowable, examination will be limited to the Markush-type claim and claims to the elected species, with claims drawn to species patentably distinct from the elected species held withdrawn from further consideration.

As an example, in the case of an application with a Markush-type claim drawn to the compound C-R, wherein R is a radical selected from the group consisting of A, B, C, D, and E, the Examiner may require a provisional election of a single species, CA, CB, CC, CD, or CE. The Markush-type claim would then be examined fully with respect to the elected species and any species considered to be clearly unpatentable over the elected species. If on examination the elected species is found to be anticipated or rendered obvious by prior art, the Markush-type claim and claims to the elected species shall be rejected, and claims to the non-elected species would be held withdrawn from further consideration. As in the prevailing practice, a second action on the rejected claims would be made final.

On the other hand, should no prior art be found that anticipates or renders obvious the elected species, the search of the Markush-type claim will be extended. If prior art is then found that anticipates or renders obvious the Markush-type claim with respect to a *non-elected species*, the Markush-type claim shall be rejected and claim to the non-elected species held withdrawn from further consideration. The prior art search, however, will not be extended unnecessarily to cover all non-elected species. Should applicant, in response to this rejection of the Markush-type claim, overcome the rejection, as by amending the Markush-type claim to exclude the species anticipated or rendered obvious by the prior art, the amended Markush-type claim will be re-examined. The prior art search will be extended to the extent necessary to determine patentability of the Markush-type claim. In the event prior art is found during the re-examination that anticipates or renders obvious the amended Markush-type claim, the claim will be rejected and the action made final. Amendments submitted after the final rejection further restricting the scope of the claim will not be entered.

If the members of the Markush group are sufficiently few in number or so closely related that a search and examination of the entire claim can be made without serious burden, the Examiner is encouraged to examine all claims on the merits, even though they are directed to independent and distinct inventions. In such a case, the Examiner will not follow the above procedure and will not require restriction.

This notice supersedes the practice set out in 922 O.G. 1016, dated May 1, 1974.

Although the above practice is now in effect, a rule change proposal is also being considered to provide for prosecution of multiple inventions in a single patent application by submission of additional fees.

DONALD W. BANNER,
*Commissioner of Patents
and Trademarks.*

Oct. 23, 1978.

[976 O.G. 128]

The purpose of this notice is to set forth procedural guidelines for deciding questions of unity of invention which may arise in international applications when searched by the United States Patent and Trademark Office (USPTO) as an International Searching Authority and when examined during the national phase in the United States as a Designated Office after entry under 35 U.S.C. 371 in connection with the Patent Cooperation Treaty (PCT).

The May 28, 1986, decision in *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, Civil Action No. 84-1212-A, (E.D. Va.) held the Patent and Trademark office interpretation of 37 CFR 1.141(b)(2) as applied to unity of invention determinations in international applications was not in accordance with the Patent Cooperation Treaty and its implementing legislation. In the Caterpillar international application, the USPTO, when acting as an International Searching Authority, held lack of unity of invention between a set of claims directed to a process for forming a sprocket and a set of claims drawn to an apparatus (die) for forging such a sprocket. The court stated that it was an unreasonable interpretation to say that the expression "specifically designed" as found in PCT Rule 13.2(ii) means that the process and apparatus can only be used with each other as set forth in the Manual of Patent Examining Procedure (MPEP) § 806.05(e).

Therefore, in considering international applications as an International Searching Authority and during the national phase as a Designated Office under 35 U.S.C. 371, PCT Rule 13.1 and 13.2 as interpreted in *Caterpillar* will be followed when considering unity of invention of claims of different categories without regard to 37 CFR 1.141. No change is being made in the restriction practice under 37 CFR 1.141(b) and (c) in United States national applications filed under 35 U.S.C. 111 outside the PCT. No change in practice is being made in regard to claims of the same category of invention either in PCT or U.S. national applications. Such a change in U.S. national restriction practices would require a statutory change in the fee levels to cover the additional examining effort required in individual patent applications.

PCT Rules 13.1 and 13.2 are reproduced below:

PCT RULE 13
Unity of Invention

13.1 Requirement

The international application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept ("requirement of unity of invention").

13.2 Claims of Different Categories

Rule 13.1 shall be construed as permitting, in particular, one of the following three possibilities:

(i) in addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the said product, and the inclusion in the same international application of an independent claim for a use of the said product, or

(ii) in addition to an independent claim for a given process, the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the said process, or

(iii) in addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the product, and the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the process.

PCT Rule 13 only will be applied in the restriction practice used in national phase applications entered under 35 U.S.C. 371 because 35 U.S.C. 372(b)(2) provides that "The Commissioner may cause the question of unity of invention to be reexamined under section 121 of this title, within the scope of the requirements of the treaty and the Regulations".

Guidelines As to Implementation of Revised Unity of Invention Practice in International Applications and National Phase Applications Entered Under 35 U.S.C. 371

(93) Unity of Invention Practice in International Applications and National Phase Applications Entered Under 35 U.S.C. 371

(1) The revised practice for international and national phase applications will *not* be used for national applications filed under 35 U.S.C. 111.

(2) The revised practice will *not* affect the treatment of the claims of any applications (national or international) where the question of lack of unity of invention relates to other than different categories of invention issues. Therefore, restriction and unity of invention practice involving, for example, Markush type claims, genus-species, intermediate-final product or combination-subcombination situations are *not* affected for any applications by this notice.

(3) The expression "and as set forth in §§ 1.141" in 37 CFR 1.481(a) will no longer be considered operative in view of the decision in *Caterpillar Tractor Co.*, supra. The criteria of § 1.141 continue to be applicable to U.S. national applications filed under 35 U.S.C. 111 as they were in effect prior to the Caterpillar decision and essentially the same as the practice which was in effect for many years prior to the PCT implementation. That is, practice will continue as set forth in MPEP Chapter 800 as modified in 1046 OG 2 for the practice relating to product, process of making and process of using. The practice in this latter situation is that a three way requirement for restriction can only be required where the process of making is distinct from the product (i.e., the requirements of MPEP 806.05(f) are met). Otherwise, the process of using must be joined with the claims directed to the product and the process of making the product even though a showing of distinctness between the product and process of using the product (MPEP 806.05(h)) could be made. A determination of the patentability of the product need not be made prior to making a requirement for restriction.

(4) The criteria of PCT Rule 13 will be applied when determining unity of invention of claims to different categories of invention in considering international applications as an International Searching Authority and during the national phase as a Designated Office under 35 U.S.C. 371.

(5) The revised practice will apply to all international applications before the PTO as an International Searching Authority in which no search report has been issued and in all pending national stage applications entered under 35 U.S.C. 371 in which a holding of lack of unity of invention (requirement for restriction) has not been made final by the examiner or acquiesced in by the applicant as of the date of this notice.

(6) In applying PCT Rule 13 to international applications as an International Searching Authority and to national phase applications under 35 U.S.C. 371, examiners will consider for unity of invention all of the claims to different categories of invention in the application and will permit retention in the same application for searching and/or examination, of claims to the categories which meet the requirements of any one of PCT Rule 13.1(i) to (iii).

In view of the court's treatment of the USPTO's distinctness test in *Caterpillar*, the USPTO will also permit in the same international application the following two combinations:

(a) an independent claim for a given product and an independent claim for a process specially adapted for the manufacture of said product.

(b) an independent claim for a given product and an independent claim for a process of using the said product.

If the different categories of claims do not fall within any one of PCT Rule 13.2(i) to (iii) or additional combinations (a) or (b) above, i.e., they claim more or less categories of invention than permitted in any one of PCT Rule 13.2(i) to (iii) or combination (a) or (b) above, unity of invention may not be present. Further, an independent claim for a use in PCT Rule 13.2(i) and combination (b) above is construed as being limited to a claim directed to a process.

In determining unity of invention under PCT Rule 13.2(i) and (iii) and combination (a) above, the examiner will consider the word "specially" which appears before "adapted" to be an emphasis word rather than a limitation. In determining unity of invention under PCT Rule 13.2(ii), the examiner will consider the word "specifically" which appears before "designed" to be an emphasis word rather than a limitation.

Detailed Explanation

Under PCT Rule 13.2, Unity of Invention as to different categories of inventions is covered on the basis of 4 different categories of invention. They are:

- A. a product
- B. a process (for manufacture)
- C. a use of the said product
- D. an apparatus or means for carrying out the process for manufacture.

PCT Rule 13.2 provides for grouping of certain of these different categories of inventions and retaining unity of invention.

i. PCT Rule 13.2(i) provides for grouping claims to:

- A. a product
- B. a process for the manufacture of said product
- C. a use of the said product

ii. PCT Rule 13.2(ii) provides for grouping claims to:

- B. a process (e.g. for the manufacture of a product)
- D. an apparatus or means for carrying out the said process.

iii. PCT Rule 13.2(iii) provides for grouping claims to:

- A. a product
- B. a process for the manufacture of the product
- D. apparatus or means for carrying out the process.

Also permitted by the USPTO are combinations:

- (a) A. a product
B. a process for the manufacture of said product
- (b) A. a product
C. a use of the said product

If an application includes claims to all the categories of invention set forth in any one of PCT Rule 13.2(i), (ii), (iii), combinations (a) or (b) above, and no additional categories of invention are present, unity of invention exists and no additional search fees should be required or restriction requirement made.

For example, if an application contains claims to only a process for the manufacture of a product and claims to a use of a product and no product claims is present, there is lack of unity of invention since the provisions of Rule 13.2(i) do not apply and the process for manufacture of a product is independent of the use of the product since neither is dependent on the other. Also, if claims to all three categories of PCT Rule 13.2(i) are present at the time of the first Office action and all the product claims are canceled in the response to the first Office action, a requirement for restriction could be made, if appropriate, in the second Office action in view of the independent inventions remaining in the application. PCT Rule 13.2(i) would no longer apply since all three categories of claims would no longer be present in the application. However, the fact that claims to a certain category of invention are unpatentable does not affect the question of unity of invention provided the unpatentable claims are retained in the application.

Where claims to a category of invention in addition to those listed in any one of PCT Rule 13.2(i), (ii), (iii) or combinations (a) or (b) above included in an application, unity of invention may be lacking between the claims drawn to the categories set forth in any one of PCT Rule 13.2(i), (ii), (iii) or combinations (a) or (b) above, and the claims to the additional category of invention. For example, if an application contained claims to a process for manufacture, claims to an apparatus or means for carrying out the process and claims to a use of the product manufactured, there could be lack of unity of invention. In such a situation the examiner should group the claims to the process for manufacture and the claims for an apparatus or means for carrying out the process because unity of these two categories exists under PCT Rule 13.2(ii). The claims to the use of the product could be separately grouped if the "use" is shown to be "independent and distinct" of both the "process for manufacture" and the "apparatus or means for carrying out the process" as provided in Chapter 800 of the Manual of Patent Examining Procedure (MPEP).

When the claims presented in an application are directed to several categories of invention so that more than one paragraph of PCT Rule 13.2 and combinations (a) or (b) above applies,

the examiner will inspect the claims to see if the categories of invention set forth in PCT Rule 13.2, paragraphs (i), (iii) and (ii), and then combinations (a) or (b) above are present in the application in that order. For example, if the categories of PCT Rule 13.2(i) are found in the application, the claims to those categories stated in PCT Rule 13.2(i) will be considered as one invention and any claims to different categories of invention will be reviewed to determine if they are "independent and distinct" of all the claims covered in PCT Rule 13.2(i) in accordance with the provisions of Chapter 800 of the MPEP.

Under PCT Rule 13.2 and combinations (a) and (b) above, unity will exist where the claims are limited to one invention in each category of invention recited. For example, under PCT Rule 13.2(i), claims are permitted to one product, one process of manufacturing and one use. If multiple products, processes of manufacture or uses are claimed, the first invention in the category first mentioned in the claims will be considered as the elected invention. The first recited invention of each additional category which is related as described in paragraph 7 below with the first invention as indicated in the previous sentence will be considered elected. Accordingly, for example, if multiple products are claimed, the first recited product is constructively elected and the first recited process, if multiple processes adapted for making and/or using the product are claimed, is also constructively elected. Any such holding by the examiner will be made in the form of a restriction requirement in an application entered in the USPTO under 35 U.S.C. 371. Such a restriction requirement would be made on the basis of criteria set forth in MPEP Chapter 800. Applicant would have the right to traverse such a restriction requirement in the response to the Office action.

(7) The inventions recited by the claims of different categories must be drawn to related rather than independent inventions. For example, the product as claimed in PCT Rule 13.2(i) and combinations (a) and (b) above must be able to be made by the claimed process for manufacture and the use claimed must be able to use the claimed product. Likewise in PCT Rule 13.2(ii), the apparatus as claimed must be able to carry out the claimed process. In PCT Rule 13.2(iii), the claimed process of manufacture must be able to make the claimed product and the claimed apparatus or means must be able to perform the claimed process of manufacture.

(9) Applicants should clearly indicate on all application papers filed for entry under 35 U.S.C. 371 and 37 CFR 1.61 that the filing is being made under 35 U.S.C. 371. Otherwise, the application papers will be treated as having been filed under 35 U.S.C. 111.

(10) Any prior notices or policies relating to unity of invention which are inconsistent herewith are superceded to the extent they are inconsistent with this notice.

Appropriate changes in the Code of Federal Regulations will be proposed in due course to adjust the level of the search fees and national fees of § 1.445 to recover the cost of searching and examining international applications with claims to different categories of invention in a single international application. The fees were originally set based on the unity of invention practice previously in effect.

If necessary, additional guidance for processing applications under PCT Rule 13 will be issued as experience is gained.

DONALD J. QUIGG,

Assistant Secretary and
Commissioner of Patents
and Trademarks.

Aug. 15, 1986.

[1070 OG 11]

(94)

Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 61231-7086]

Unity of Invention and Patent
Cooperation Treaty [Chapter II]

Agency: Patent and Trademark Office, Commerce.
Action: Notice of Final Rulemaking.

Summary: The Patent and Trademark Office hereby amends its regulations (1) to change the practice in handling unity of invention issues in international applications under the Patent Cooperation Treaty (PCT) and those entering the national stage under 35 U.S.C. 371 and (2) to establish procedures necessary for patent applicants to proceed under Chapter II of the Patent Cooperation Treaty. This rule change is being made because (1) the current rules for handling unity of invention issues in international applications are not consistent with the court decision in *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, 231 USPQ 590 (E.D. Va. 1986), and (2) legislation implementing Chapter II of the Patent Cooperation Treaty has recently been enacted. The promulgated rules will result in (1) the treatment of unity of invention issues in international applications consistently with the court decision while retaining the current practice for national applications filed under 35 U.S.C. 111, and (2) procedures adequate for applicants to proceed under Chapter II of the Patent Cooperation Treaty. **Effective Date:** July 1, 1987.

For Further Information Contact: Louis O. Maassel by telephone at (703) 557-3070 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This final rule change relates to (1) questions of unity of invention which may arise in international applications when searched as an International Searching Authority and when examined as an International Preliminary Examining Authority by the United States Patent and Trademark Office (USPTO) and during the national stage in the United States as a Designated Office after entry under 35 U.S.C. 371 pursuant to the Patent Cooperation Treaty (PCT) and (2) procedures to be followed and fees to be paid under Chapter II of the Patent Cooperation Treaty. The rule change will also increase the amount of the international search fees and national fees in international applications in view of increased average effort required by the USPTO because of changes in the rules relating to unity of invention. No fees are being established under 35 U.S.C. 41.

Background Information

Unity of Invention

The May 28, 1986, decision in *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, 231 USPQ 590 (E.D. Va., 1986) held that the Patent and Trademark Office interpretation of 37 CFR 1.141(b)(2) as applied to unity of invention determinations in international applications was not in accordance with the Patent Cooperation Treaty and its implementing rules. In the *Caterpillar* international application, the USPTO, acting as an International Searching Authority, had held lack of unity of invention between a set of claims directed to a process for forming a sprocket and a set of claims drawn to an apparatus (die) for forging a sprocket. The court stated that it was an unreasonable interpretation to say that the expression "specifically designed" as found in PCT Rule 13.2(ii) means that the process and apparatus have unity of invention if they can only be used with each other, as set forth in the Manual of Patent Examining Procedure (MPEP) 806.05(e).

Therefore, when the Patent and Trademark Office considers international applications as an International Searching Authority, as an International Preliminary Examining Authority, and during the national stage as a Designated or Elected Office under 35 U.S.C. 371, PCT Rule 13.1 and 13.2 will be followed when considering unity of invention of claims of different categories without regard to the practice in national applications filed under 35 U.S.C. 111. No change is being made in the current restriction practice in United States national applications filed under 35 U.S.C. 111 outside the PCT. No change in practice is being made in regard to claims of the same category of invention either in PCT international applications or in U.S. national applications. Any such change in U.S. national restriction practice would require a statutory change in the fee levels in order to cover the additional examining effort required in individual patent applications.

The unity of invention procedures set forth in the rules are already being substantially followed by the examiners in the USPTO as a result of the notice signed on Aug. 15, 1986, and

published in the *Official Gazette* on Sept. 9, 1986 at 1070 O.G. 11. The notice of Sept. 9, 1986 and any prior notices or policies relating to unity of invention which are inconsistent with the rules and procedures in this final rules notice are superseded to the extent that they are inconsistent.

The unity of invention practice set forth in PCT Rule 13 will be applied in national stage applications entered under 35 U.S.C. 371 because 35 U.S.C. 372(b)(2) provides that "The Commissioner may cause the question of unity of invention to be reexamined under section 121 of this title, within the scope of the requirements of the treaty and the Regulations". However, continuing applications filed under 35 U.S.C. 111 of international applications under the provisions of 35 U.S.C. 365(c) will be subject to the same restriction practice as other United States national applications filed under 35 U.S.C. 111. However, it is noted that where several inventions have been searched in the parent international application, the examination of such inventions in a continuing national application may not be burdensome and the examiner may consider all the inventions in such an application without making a restriction requirement.

Implementation of Unity of Invention Practice in International Applications and National Stage Applications Entered Under 35 U.S.C. 371

(1) The practice established by these rules for international and national stage applications will *not* be applied to national applications filed under 35 U.S.C. 111.

(2) The practice established by these rules will *not* affect the treatment of the claims of any applications (national or international) where the question of lack of unity of invention relates to other than different categories of invention issues.

Therefore, restriction and unity of invention practice involving, for example, Markush type claims, genus-species, intermediate-final product or combination-subcombination situations is *not* affected for any applications by this rule change.

(3) The criteria of § 1.141 would continue to be applicable to U.S. national applications filed under 35 U.S.C. 111 in a manner similar to that in effect prior to the Caterpillar decision and essentially the same as the practice which was in effect for many years prior to the PCT implementation. That is, national restriction practice will continue as set forth in MPEP Chapter 800, as modified in 1046 O.G. 2 for the practice relating to product, process of making and process of using. The practice in this latter situation is that a three way requirement for restriction can only be made where the process of making is distinct from the product (i.e., the requirements of MPEP 806.05(f) are met). Otherwise, claims to the process of using must be joined with the claims directed to the product and the process of making the product even though a showing of distinctness between the product and process of using the product (MPEP 806.05(h)) could be made. This concept is included in paragraph 1.141(b).

(4) Under the rules, the criteria of PCT Rule 13.2 will be applied when considering unity of invention of claims drawn to different categories of invention in international applications as an International Searching Authority, International Preliminary Examining Authority, and as a Designated or Elected Office in international applications which enter the national stage under 35 U.S.C. 371.

(5) Under the rules, in applying PCT Rule 13.2 to international applications as an International Searching Authority, an International Preliminary Examining Authority and to national stage applications under 35 U.S.C. 371, examiners will consider for unity of invention all of the claims to different categories of invention in the application and will permit retention in the same application for searching and/or examination, claims to the categories which meet the requirements of any one of PCT Rule 13.2(i) to (iii).

Under the rules, the USPTO will also permit in the same international or national stage application the following two combinations:

(1) An independent claim for a given product and an independent claim for a process specially adapted for the manufacture of said product.

(2) An independent claim for a given product and an independent claim for a process of using the said product.

Under the rules, if an application contains a combination of categories of claims which do not fall within any *one* of the

combinations of PCT Rule 13.2(i) to (iii) or additional combinations (1) or (2) above, i.e., they claim more or less categories of invention than permitted in any one of PCT Rule 13.2(i) to (iii) or combination (1) or (2) above, unity of invention may not be present.

Further, an independent claim for a use in PCT Rule 13.2(i) and combination (2) above will be construed as being limited to a claim directed to a process of using. In determining unity of invention under PCT Rule 13.2(i) and (iii) and combination (1) above, under the rules, the examiner will consider the word "specially" which appears before "adapted" to be an emphasis word rather than a limitation. In determining unity of invention under PCT Rule 13.2(ii), the examiner will consider the word "specifically" which appears before "designed" to be an emphasis word rather than a limitation.

Under the rules, if an application includes claims to all the categories of invention set forth in any one of PCT Rule 13.2(i), (ii), (iii), combinations (1) or (2) above, and no additional categories of invention are present, unity of invention will exist and no additional fees will be required or restriction requirement made.

For example, if an application contained claims to only a process for the manufacture of a product and claims to a use of a product and no product claim is present, there will be lack of unity of invention since the provisions of Rule 13.2(i) do not apply because claims to all categories of invention set forth in PCT Rule 13.2(i) are not included in the application and the process for manufacture of a product is independent of the use of the product since neither is dependent on the other. Also if claims to all three categories of PCT Rule 13.2(i) were present at the time of the first Office action in a national stage application and all the product claims are rejected in the first Office action, a requirement for restriction could also be made, if appropriate, in view of independent inventions being in the application without an allowable linking (product) claim.

Under the rules, where claims to a category of invention in addition to those listed in any one of PCT Rule 13.2 (i), (ii), (iii) or combinations (1) or (2) above are included in an application, unity of invention may be lacking between the claims drawn to the combination of the categories of invention set forth in any *one* of PCT Rule 13.2(i), (ii), or (iii) or combinations (1) or (2) above, and the claims to the additional category of invention. For example, if an application contains claims to a process for manufacture, claims to an apparatus or means for carrying out the process and claims to a process of using the product manufactured, there could be lack of unity of invention. In such a situation the examiner should group the claims to the process for manufacture and the claims for an apparatus or means for carrying out the process because unity of these two categories exists under PCT Rule 13.2(ii). The claims to the use of the product can be separately grouped if the "use" is shown to be "independent and distinct" of both the "process for manufacture" and the "apparatus or means for carrying out the process" as provided in Chapter 800 of the Manual of Patent Examining Procedure (MPEP).

When the claims presented in an application are directed to several categories of invention under the rules so that more than one paragraph of PCT Rule 13.2 and combinations (1) or (2) above applies, the examiner would inspect the claims to see if the categories of invention set forth in PCT Rule 13.2, paragraphs (i), (ii) and (iii), and then combinations (1) or (2) above are present in the application in that order. For example, if the categories of PCT Rule 13.2(i) are found in the application, the claims to those categories stated in PCT Rule 13.2(i) will be considered as *one* invention and any claims to different categories of invention will be reviewed to determine if they are "independent and distinct" of *all* the claims covered in PCT Rule 13.2(i) in accordance with the provisions of Chapter 800 of the MPEP.

(6) Under PCT Rule 13.2 and combinations (1) and (2) above, unity will exist where the claims are limited to *one* invention in each category of invention recited. For example, under PCT Rule 13.2(i), claims are permitted to *one* product, *one* process of manufacturing the product and *one* use of the product. If multiple products, processes of manufacture or uses are claimed, the first invention in the category first mentioned in the claims would be considered as the elected invention under the rules. The first recited invention of each additional category which is related to the first invention as indicated in the previous

sentence will be considered elected. Accordingly, for example, if multiple products are claimed, the first recited product will be considered to be constructively elected and if multiple processes adapted for making and/or using the product are claimed, the first recited process will also be constructively elected. Any additional inventions of the same category will be subject to payment of additional fees during the international stage. In a national stage application submitted under 35 U.S.C. 371 any such holding by the examiner will be made in the form of a restriction requirement. Such a restriction requirement will be made on the basis of criteria set forth in MPEP Chapter 800. Applicant will have the right to traverse such a restriction requirement in the response to the Office action.

(7) Inventions of different categories, to have unity of invention, must be related rather than independent inventions. For example, the product as claimed in PCT Rule 13.2(i) and combinations (1) and (2) above must be capable of being made by the claimed process for manufacture or being used in the claimed process of use. Likewise in PCT Rule 13.2(ii), the apparatus as claimed must be capable of carrying out the claimed process. In PCT Rule 13.2(iii), the claimed process of manufacture must be capable of preparing the claimed product and the claimed apparatus or means must be able to perform the claimed process of manufacture.

(8) Under §§ 1.494 and 1.495, applicants must indicate on all application papers filed for entry under 35 U.S.C. 371 that the filing is being made under 35 U.S.C. 371. Otherwise, the application papers will be treated as having been filed under 35 U.S.C. 111.

Patent Cooperation Treaty, Chapter II

The Patent Cooperation Treaty became effective for the United States on Jan. 24, 1978. The United States, however, was one of six countries (out of the 40 countries who have ratified or acceded to the Treaty) which had reservations not to be bound by Chapter II. The document removing the reservation as to Chapter II was deposited with the Director General of the World Intellectual Property Organization on Apr. 1, 1987. Accordingly, Chapter II of the Treaty for the United States of America, Pub. L. 99-616 and these final regulations become effective 3 months later on July 1, 1987.

Chapter I of the Patent Cooperation Treaty provides a standardized application format and a centralized filing procedure for international patent applications. Pursuant to Chapter I, an applicant may submit an International application, designating those member countries in which the applicant desires patent protection. Filing an international application has the same effect as filing a separate application in all designated member states with respect to the filing date. In addition, by filing an international application, the applicant does not have to incur the expenses associated with national patent prosecution in the designated countries until 20 months from the priority date of the international application. During this period, the applicant obtains an international search report citing prior art deemed to be relevant to the claims of the invention contained in the international application. This helps the applicant decide whether to proceed with patent prosecution in the various countries originally designated.

Chapter II of the Patent Cooperation Treaty provides two further benefits for the applicant. First, an additional 10 months is allowed, for a total of 30 months from the priority date of the international application, before the applicant must decide whether to proceed with national patent prosecution in the elected countries. Second, the applicant is provided with an international preliminary examination report. In contrast to the international search report, which provides citations of prior art pertinent to the invention, the international preliminary examination report is a non-binding opinion from an International Preliminary Examining Authority as to whether the invention is novel, involves an inventive step (is non-obvious), and is industrially applicable. A preliminary examination report will be established within 28 months from the priority date. This preliminary examination report, together with the additional 10 months before the decision to proceed with national prosecution is required, places the applicant in a better position to consider commercial factors associated with the invention and to decide whether to pursue patent protection in the various elected countries.

To take advantage of these benefits provided by Chapter II, an applicant must file a "Demand" for a preliminary examination in an appropriate International Preliminary Examining Authority prior to the expiration of the 19th month from the priority date and pay certain fees. The final rules establish the amounts of some of the necessary fees and procedures under Chapter II and also group all the rules unique to international applications in a separate area of the regulations. The rules fall into three groups: (1) those directed to procedures under Chapter I, (2) those directed to procedures under Chapter II, and (3) those directed to entering the national stage under 35 U.S.C. 371.

Changes From the Proposed Rules

In § 1.475, a new paragraph (f) has been added which sets forth in the rules the exact wording of PCT Rule 13. PCT Rule 13 was included in the proposed rules as a footnote. The incorporation of the wording of PCT Rule 13 into § 1.475(f) will make it easier to refer to and easier to locate. Sections 1.475, 1.476, 1.487 and 1.499 are also changed to refer to § 1.475(f) rather than footnote 1.

In § 1.480(c), the wording has been clarified by adding a reference to the election of the United States.

Section 1.484(f) has been modified from the proposal to permit more than one interview in those situations where the examiner considers that an additional interview would be helpful.

In § 1.485, paragraph (b) has not been included since the substance thereof is set forth in § 1.484(d).

In § 1.492(a)(2) and (3), "i" has been deleted in order to refer to both § 1.445(a)(2)(i) and (ii).

An additional paragraph (a)(4) has been added to § 1.492 and an additional paragraph (b) has been added to § 1.496 which provide for a substantially reduced national fee and special procedure, respectively, where the application has satisfied the requirements of novelty, inventive step (non-obviousness) and industrial applicability before the United States International Preliminary Examining Authority as to the identical claims which are in the application at the national stage in the Patent and Trademark Office. Amendments during subsequent prosecution will only be permitted in response to an examiner's rejections or objections. Thus, no new claims are permitted. Therefore, most of such cases will require little or no prosecution to satisfy the requirements for patentability. The title of § 1.496 has been broadened in view of the new paragraph (b) and proposed § 1.496 has been redesignated as paragraph (a).

In §§ 1.494 and 1.495, an additional paragraph has been added to indicate the date of abandonment of an international application as to the United States if the requirements of 35 U.S.C. 371(c) are not timely fulfilled.

Response to Comments Received

Specific comments were received on several of the proposed rules, particularly those relating to unity of invention and fees. Sixteen letters submitting written comments were received. Oral testimony was presented by five persons at the public hearing conducted on Apr. 6, 1987 resulting in 46 pages of testimony. All of the written and oral comments were considered in adopting the changes set forth herein. Comments suggesting modifications to the proposed rules or requesting clarification thereto appear below with responses thereto.

Comment:

A question was raised as to whether the deadline for filing a continuing application under 35 U.S.C. 365(c) and 120 was 20 or 22 months under Chapter I and 30 or 32 months under Chapter II.

Reply:

The Patent and Trademark Office considers the international application to be pending until the 22nd month from the priority date if the United States has been designated and no Demand for International Preliminary Examination has been filed prior to the expiration of the 19th month from the priority date and until the 32nd month from the priority date if a Demand for International Preliminary Examination which elected the United States of America has been filed prior to the expiration of the 19th month from the priority date provided that a copy of the international application has been communicated to the Patent and Trademark Office within the 20 or 30 month period, respectively. If a copy of the international application has not been

communicated to the Patent and Trademark Office within the 20 or 30 month period respectively, the international application becomes abandoned as to the United States 20 or 30 months from the priority date respectively. These periods have been placed in the rules as paragraph (h) of § 1.494 and paragraph (i) of § 1.495. A continuing application under 35 U.S.C. 365(c) and 120 may be filed during the pendency of the international application.

Comment:

A comment was received concerning the situation where a continuing application is filed under 35 U.S.C. 365(c) of an international application which claims priority of an earlier filed foreign application as to (1) whether the applicant must specifically claim priority in the continuing application and (2) whether the certified copy of the priority application which may have been communicated to the Patent and Trademark Office by the International Bureau may be relied upon without any need to file a certified copy of the priority application in the continuing application.

Reply:

As to item (1), it is necessary under the statute for the applicant to claim priority in the continuing application. Otherwise there is no indication that such benefit is desired in the continuation and the information may not be present for printing of any subsequent patent.

As to item (2), the certified copy of the priority application communicated by the International Bureau is placed in a folder and is not assigned a U.S. serial number unless the national stage is entered. Such folders are disposed of if the national stage is not entered. Therefore such certified copies may not be available if needed later in the prosecution of a continuing application. An alternative would be to physically remove the priority documents from the folders and transfer them to the continuing application. The resources required to request transfer, retrieve the folders, make suitable record notations, transfer the certified copies, enter and make of record such copies in the continuing applications is substantial. Accordingly, the priority documents in folders of international applications which have not entered the national stage may not be relied on.

Comment:

One comment raised the question whether a continuing application filed under 35 U.S.C. 111 and entitled to the benefit of a prior international application designating the United States under 35 U.S.C. 365(c) and 120 would be subject to the PCT unity practice of § 1.499 or the national restriction practice under § 1.141.

Reply:

A continuing application filed under 35 U.S.C. 111 would be subject to the national restriction practice as set forth in § 1.141 and Chapter 800 of the Manual of Patent Examining Procedure. Only those international applications entering the national stage under 35 U.S.C. 371 and § 1.494 or § 1.495 would be subject to the unity of invention practice set forth in § 1.499.

Comment:

Five comments were made to the effect that the unity practice set forth in the rules was not consistent with the unity of invention criteria currently under discussion in the WIPO "harmonization" treaty meetings.

Reply:

At the present time there appears to be no agreed upon unity practice in the harmonization meetings. Only a discussion document has been prepared by WIPO. The Patent and Trademark Office is currently making a very intensive study of unity of invention in the United States, Japan and the European Patent Office. The practice which may result from this study and subsequent discussions is also not clear at this time. For these reasons as well as the fee implications of such a change, it is considered preferable to proceed with a clarification of the unity of invention practice which is to be used as part of the regulations for use by patent applicants and examiners at this time and, if modification of the practice is required in the future, appropriate changes in the law and the rules will be made at that time.

Comment:

Two comments argued that the difference in treatment of unity of invention is contrary to 35 U.S.C. 372(a).

Reply:

35 U.S.C. 372(a) states:

All questions of substance and, within the scope of the requirements of the treaty and Regulations, procedure in

an international application designating the United States shall be determined as in the case of national applications regularly filed in the Patent and Trademark Office.

This section is interpreted as relating only to substantive questions of patentability which includes matters such as the definition of prior art. See PCT Article 27(5). If section 372(a) were interpreted to include items other than those relating to substantive questions of patentability, items such as requirements to obtain a filing date would be included. Clearly, an international application must only meet the filing date requirements of PCT Article 11(1) even though a U.S. national application must meet the requirements of 35 U.S.C. 111.

Comment:

One comments was received stating that the U.S. rules should define prior art for PCT purposes and also the manner of issuing International Preliminary Examination Reports.

Reply:

Prior art for PCT purposes is already defined in PCT Rule 64 and the procedures are set forth in PCT Rules 66 and 70. To repeat the substance of these PCT rules in the U.S. rules would be duplicative and possibly lead to different interpretations if different wording was used.

Comment:

One comment inquired whether the International Preliminary Examining Report was binding on a USPTO examiner in the national stage.

Reply:

An International Preliminary Examination Report is not binding on a USPTO examiner. PCT Article 33(1) clearly states that the "objective of the international preliminary examination is to formulate a preliminary and non-binding opinion." Since the USPTO has had no experience with International Preliminary Examination Reports prepared by foreign offices, as well as foreign offices having no experience with Reports prepared by the USPTO, the degree of reliance on such Reports in the national stage cannot be determined at the present time. Studies underway with the European Patent Office and the Japanese Patent Office regarding inventive step and other matters and experience with Reports from other International Preliminary Examining Authorities may be helpful in further addressing this question in the future.

Comment:

Two comments were received asking why § 1.141(b) was being changed since there was no change in U.S. restriction practice.

Reply:

No change is being made in U.S. restriction practice in applications filed under 35 U.S.C. 111. The amendments to § 1.141 basically delete expressions used in the Patent Cooperation Treaty which are not used in U.S. national practice. The criteria deleted from § 1.141(b) still remain in Chapter 800 of the Manual of Patent Examining Procedure.

Comment:

One comment was made that any interpretation by the PTO of the PCT Unity language will carry over to the Harmonization Treaty.

Reply:

The U.S. delegation to the WIPO harmonization meetings has several times requested that guidelines be prepared for consideration with the Unity of Invention Article and Rules. Any interpretation of future treaty wording would be controlled by the guidelines.

Comment:

Three comments were received that the PTO is attempting to promulgate a variation of PCT Rule 13 which is contrary to the Caterpillar decision because the U.S. rules are not identical in scope with PCT Rule 13.

Reply:

The U.S. rules relating to Unity of Invention are considered to be in accordance with PCT Rule 13 and the Caterpillar decision. Rules 1.475, 1.487 and 1.499 are not identical with PCT Rule 13.2 because the U.S. rules are somewhat broader because additional combinations are included. The U.S. rules are also consistent with the Caterpillar decision because this decision related only to the interpretation of the expressions in PCT Rule 13.2.

Comment:

One comment inquired as to the amount of the handling fee.

Reply:

The amount of the handling fee is set forth in the SCHEDULE OF FEES appearing at the end of the PCT Rules. These fees are stated in Swiss Francs. The current amount for the Handling Fee is 200 Swiss Francs. The amount in U.S. dollars will be established by the Director General based on the current exchange rates as provided in PCT Rule 57.2(c).

Comment:

One comment proposed that a rule be implemented under which an examiner must complete the first written opinion within two months of the filing of the Demand.

Reply:

Although the Office will expect an examiner to begin the International Preliminary Examination as early as possible after receipt, delay in issuing the written opinion may occur because the International Preliminary Examination fee was paid later than the filing of the Demand under PCT Rule 58.2, the application contains defects in form or contents or the application lacks unity of invention. Thus, such a rule would not be appropriate.

Comment:

One comment questioned the need to re-impose restriction (holding of lack of unity of invention) if a linking claim is not allowable.

Reply:

There is no mandatory requirement that the examiner impose a holding of lack of unity if the linking claim is shown to lack novelty and inventive step. However, if such a possibility did not exist, applicants could present broad generic claims to entire classes of inventions and thereby prevent any subsequent holding of lack of unity by the examiner.

Comment:

One comment suggested that applicants in national patent applications be allowed to take advantage of the PCT unity criteria by paying a surcharge.

Reply:

Such a fee is not provided for under 35 U.S.C. 41 and would appear to require legislative action.

Comment:

Three comments suggested that the increases in the search fees were either unlawful or inconsistent with the spirit of the Patent and Trademark Office Authorization Act passed by Congress in 1986 in view of the freeze imposed thereby.

Reply:

The Patent and Trademark Office Appropriations Act (Public Law 99-607) at Sec. 3(b) states.

(b) PATENT FEES.—The Commissioner of Patents and Trademarks may not, during fiscal years 1986, 1987, and 1988, increase fees established under section 41(d) of title 35, United States Code, except for purposes of making adjustments which in the aggregate do not exceed fluctuations during the previous 3 years in the Consumer Price Index, as determined by the Secretary of Labor. The Commissioner also may not establish additional fees under such section during such fiscal years.

The legislative history also makes clear that the prohibition against fee increases relates only to those fees established under section 41(d) and indicates that fees for new types of processing, services, or materials are not prohibited. The prohibition in the appropriation authorization is strictly limited to fees established under 35 U.S.C. 41(d) and does not affect the authority of the Commissioner to set fees under the Patent Cooperation Treaty. Note 35 U.S.C. 376 which authorizes the Commissioner to set fees for both the international and national stages. The new services relating to unity of invention are clearly not within the scope of the appropriation authorization restriction.

Comment:

Three comments stated that the \$100 fee increase for an international search is clearly excessive.

Reply:

The increase in the search fee is to recover the average estimated additional cost of processing international applications with claims to more inventions than were permitted when the current search fees were established. The increase is established also to provide for an expected higher percentage of international applications containing claims to more than one

category of invention. If experience shows these expectations were in error, fees will be adjusted in the future.

Comment:

One comment stated that the increase in the international search fee was not justified by *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, 231 USPQ 590 (E. D. Va. 1986) which merely clarified an aspect of existing law and did not change it.

Reply:

The decision in the Caterpillar case indicated that the Office's criteria for unity of invention on which the amount of the search fee was determined were too strict in construing the language of the Treaty and that broader criteria were permitted under the terms of the Treaty. Fees under the Patent Cooperation Treaty were set based on pre-Caterpillar interpretations of PCT Rule 13.2 by the Patent and Trademark Office. Since such broader criteria require a more extensive search than that on which the search fee was previously calculated, an increase in the search fee is necessary to cover the cost of the additional search required under the broader criteria in accordance with the Caterpillar decision.

Comment:

One comment stated that the increase in the international search fee penalizes an applicant presenting clearly a single invention.

Reply:

A broadening of the interpretation of unity of invention and the increase in the average amount of work required in searching an international application results in a higher fee being required. A more narrow interpretation of unity of invention permits a lower average fee and would tend to benefit applicants with a clearly single invention. The Caterpillar decision and majority of comments received supported a more liberal interpretation of unity of invention. Testimony at the hearing indicated a preference for spreading any additional costs among all applicants.

Comment:

One comment was received which suggested that § 1.484(d) be amended by adding a further sentence.

If, after receipt of any response to the written opinion, the Examiner is of the opinion that some or all of the claims are not patentable, the Examiner shall issue a second written opinion which identifies any patentable subject matter, including any suggestions for claim modification to properly define the invention.

Reply:

The wording of the proposed sentence is clearly inappropriate since the International Preliminary Examination Report does not make any determination of "patentability." Note PCT Article 35(2). Furthermore, the time limits for issuing an International Preliminary Examination Report are such that there may not be sufficient time in most cases to issue a second opinion and receive a response thereto. Modifications in the interview practice are a more practical way of assuring a more complete and thorough international preliminary examination.

Comment:

One comment suggested that § 1.484(f) be amended to read:

An applicant will be permitted *at least* [no more than] one personal or telephone interview, which must be conducted *prior to 27 months from the priority date* during the non-extendable time limit for response by the applicant to the written opinion.

Reply:

A less restrictive interview policy has been incorporated into § 1.484(f). The period for an interview cannot be delayed until the 27th month from the priority date since this is the time at which the examiners will be required to complete their Reports in order to allow time for reviews and mailing.

Comment:

One comment proposed that § 1.485 be amended as follows:

The time limit for response in a written opinion of the International Preliminary Examining Authority may not be extended to *expire beyond 27 months from the priority date, without the permission of the Group Director.*

Reply:

No need is seen to limit the end of the response period to the end of the 27th month since the period will be set by the examiner when a written opinion is mailed. The time limit cannot be extended (§ 1.484(d)) due to tight time frames for establishing the International Preliminary Examination Report within 28 months from the priority date. The time limits for response to a written opinion are set forth in PCT Rule 66.2(d).

Comment:

Two written comments and the oral testimony indicated that the fees for entering the national stage should be considerably less after an international search and preliminary examination. The small \$40.00 reduction in national stage fees is criticized as too small and a token fee of \$40-\$50 is stated as being more reasonable.

Reply:

The fees are based on an adjustment of the U.S. filing fee based on estimated additional work or savings. However, in view of the comments, an additional basic nation fee level has been added as § 1.492(a)(4) for those situations where the Patent and Trademark Office has established an International Preliminary Examination Report which indicates that all the claims entering the national stage have satisfied the criteria of PCT Articles 31(1) to (4). Current studies of the benefit of having PCT search reports from the searching authorities indicate an improvement in quality but no overall reduction in search or examining time. The search report from other than international searching authorities, with rare exceptions, does not allow the USPTO examiner to eliminate any part of the national search.

Comment:

One comment argued that reciprocal treatment should be given to foreign applicants for benefits given U.S. applicants.

Reply:

Although the European Patent Office offers a 20% reduction of only the search fee portion of its national stage entry fees, the resulting fee of a little under \$1000 at current exchange rates is still more than twice the amount of the highest U.S. national fee. In Japan the national fee for requesting examination is currently 26,000 yen (a little under \$200 at current exchange rates) where the search report was not prepared by the Japanese Patent Office and 6,000 yen if the search report was prepared by the Japanese Patent Office.

Comment:

One comment urged that the U.S. rules match the less restrictive EPO rules with regard to the issuance of more than one written opinion and providing additional opportunity for the applicant to communicate with the examiner.

Reply:

The proposed rules (§ 1.484) have been modified to provide for a less restrictive interview practice. The examiner should permit interview(s) during the time limit for response to the written opinion where such interviews would be useful and time is available to permit issuance of the International Preliminary Examination Report prior to the deadline of 28 months after the priority date.

Although nothing in the rules limit the proceedings to one written opinion, most demands are expected to be filed near the end of the 19th month deadline. Preparation of the first written opinion may be delayed because the fees were not paid at the time of filing the Demand, formal errors are found in the documents or unity of invention is lacking. The time limits for a reply to the first written opinion will normally be set at 2 months, although 3 months may be given where the time limit for reply ends prior to 25 months from the priority date. Response by the 25th month will allow the examiner 2 months to prepare the International Preliminary Examination Report.

However, a Demand may be filed much earlier than 19 months from the priority date and International Preliminary Examination may begin early as provided for in PCT Rule 69.1(b). Where time and other circumstances permit, a second written opinion may be provided, possibly with a one month time limit for reply.

Comment:

One comment stated that proposed § 1.485(b) is a duplication of § 1.484(d).

Reply:

Proposed paragraph (b) has been deleted in final rule 1.485.

Comment:

One comment stated that procedures for the manner of issuing International Preliminary Examination Reports should be set forth in the U.S. rules.

Reply:

Items already specifically covered in the PCT articles and rules are not needed in U.S. rules. The agreement with WIPO also regulates these matters as do the PCT search and preliminary examination guidelines.

Comment:

One comment stated that the treatment of the International Preliminary Examination Report (IPER) by the USPTO at the national stage is not clear.

Reply:

The IPER will be considered along with other relevant information when conducting a national examination for patentability. PCT Article 33(1) indicates that the objective of the International Preliminary Examination Report is to formulate a preliminary and non-binding opinion; it is not binding on any office. Any new questions relating to patentability may be raised.

Comment:

One comment stated that a dual standard of unity defies logic.

Reply:

The dual standard is necessary since the fees for patent applications filed under 35 U.S.C. 111 were set based upon an application being limited to one invention as defined at the time the fees were set which differs from the interpretation of unity under PCT required in view of the Caterpillar decision.

Comment:

One comment stated that if additional PCT international search fees are required they should be made by statutory change.

Reply:

The Commissioner is authorized by statute (35 U.S.C. 376) to set the national fee for PCT origin applications. Any change in national restriction practice for applications filed under 35 U.S.C. 111 would be made only after statutory change.

Comment:

One comment indicated that in view of the Caterpillar decision holding the Office interpretation of "specifically designed" to be an unreasonable interpretation, the Office is proposing a double standard.

Reply:

U.S. national law under 35 U.S.C. 121 does not require a consideration or interpretation of "specifically designed" to be made. This must only be made in PCT cases and those entering the national stage under 35 U.S.C. 371.

Discussion of Specific Rules

Section 1.8 is amended to indicate clearly that the certificate of mailing procedures thereunder may not be used for the filing of papers and fees relating to international applications. It should be noted that the provisions of § 1.10 regarding the filing of papers or fees by "Express Mail" apply to all papers and fees to be filed in the Patent and Trademark Office, including those relating to international applications.

Section 1.61 "Filing of applications in the United States of America as a Designated Office" is removed and the substance thereof moved to new § 1.494. Section 1.70 "Oath or declaration under 35 U.S.C. 371(c)(4)" is removed and the substance thereof moved to new § 1.497. These moves result in the rules relating to the international applications entering the national stage being located in a single area of the rules.

Section 1.101 is amended to remove the discussion of the order of examination for international applications entering the national stage, which is covered by new § 1.496.

Section 1.141 is amended to basically return the rule to its wording prior to the 1978 rule change implementing the Patent Cooperation Treaty and will be directed solely to national applications. This will avoid confusion with PCT Rule 13.2 which was interpreted by the court in *Caterpillar Tractor Co. v. Commissioner of Patents and Trademarks*, supra, to have a different meaning than intended in present § 1.141. It does, however, retain for applicants the ability to claim a "reasonable number" of species rather than only 5, which limit existed prior to the 1978 rule change. Paragraph (b) continues the practice stated in the *Official Gazette* notice of Aug. 1, 1984 published at 1046 O.G. 2. Unity of invention in international applications before the

USPTO as an International Searching Authority under Chapter I of the Patent Cooperation Treaty is covered by § 1.475. Unity of invention before the USPTO as an International Preliminary Examining Authority under Chapter II of the Patent Cooperation Treaty is covered by § 1.487. Unity of invention in international applications entering the national stage under 35 U.S.C. 371 is covered by § 1.499.

Section 1.401 is amended to include the definition of some terms used for Chapter II of the Patent Cooperation Treaty.

Section s1.414 is amended to include reference to the United States Patent and Trademark Office functioning as an Elected Office under Chapter II of the Patent Cooperation Treaty as well as a Designated Office under Chapter I.

Section 1.416 is added to indicate and describe the functioning of the United States Patent and Trademark Office as an International Preliminary Examining Authority under Chapter II of the Patent Cooperation Treaty.

Section 1.431 and 1.432 are amended, in accordance with PCT Rule 15.4(b)(ii) and amended 35 U.S.C. 361, to indicate that the time limit for payment of the designation fee is one year from the priority date or one month from the date of receipt of the international application if that one month time limit expires after the expiration of one year from the priority date.

Section 1.445 is amended to increase the amount of the international search fees to provide for recovery of the average additional cost of processing applications with claims to more inventions than were permitted under the unity of invention criteria used when the previous international search fee amounts were established. The amounts for national stage fees are removed from § 1.445 and are now set forth in § 1.492.

The international search fee and national fees were previously established based on the effort and cost to the Office of searching and examining a single invention as defined by the United States Patent and Trademark Office prior to the decision in the Caterpillar case. Since additional effort will be required to search and examine an average application under the new rules defining unity of invention, the average international search and national fee must also be increased to cover the additional cost to the Office.

Section 1.475 "Changes in person, name, or address of applicants," is redesignated as § 1.472 to allow the grouping of rules into PCT Chapter I, PCT Chapter II and national stage related rules. No change other than redesignation is made.

A new § 1.475 is added to relate to unity of invention before the International Searching Authority. Paragraph (a) clearly indicates that PCT Rule 13 is to be followed in all such cases and paragraph (b) adds combinations acceptable under unity of invention in addition to those set forth in PCT Rule 13.2. Paragraph (c) relates to the handling of claims to categories in addition to the combinations specified in paragraph (b). Paragraph (d) relates to situations in which more than one invention of the same category of invention is recited in an international application. Paragraph (e) makes clear that inventions of different categories must be related, rather than independent, for unity of invention to exist. Paragraph (f) sets forth PCT Rule 13 for the convenience of patent applicants.

Section 1.481, regarding determination of unity of invention before the International Searching Authority, is redesignated as § 1.476 and amended to delete reference to § 1.141 from paragraph (a).

Section 1.482 is redesignated as § 1.477 and amended to make clear in the title that it deals with protests to findings of lack of unity of invention before the International Searching Authority. The amendment to paragraph (b) corrects an error in referring to another paragraph of the section.

A new § 1.480 is added to deal with the Demand for an international preliminary examination. Paragraph (a) indicates that a Demand is required to be filed to obtain an international preliminary examination and that the preliminary examination fee of § 1.482(a)(1) and the handling fee of § 1.482(b) are due at the time of filing of the Demand. If the fees are not paid at the time of filing of the Demand, the United States Patent and Trademark Office acting as an International Preliminary Examining Authority will provide an opportunity to pay the fees in accordance with PCT Rules 57.4 and 58.2.

Paragraph (b) of § 1.480 specifies that the Demand must be made on a standardized form as required by PCT Rule 53.1 and that such forms are available from the United States Patent and Trademark Office.

Paragraph (c) of § 1.480 specifies that, if the Demand is made prior to the expiration of the 19th month from the priority date, the provisions of PCT Article 39 and § 1.495 shall apply to allow entry into the national stage prior to the expiration of 30 months after the priority date. The final rule has been changed to add reference to the election of the United States. If the Demand is not filed prior to the expiration of the 19th month from the priority date, the provisions of PCT Article 22 and § 1.494 shall apply to allow entry into the national stage prior to the expiration of 20 months after the priority date.

Paragraph (d) of § 1.480 indicates that withdrawal of a proper Demand will not entitle applicant to a refund of the preliminary examination fee even if no claims are found that can or will be searched (PCT Article 34(4)(a)). A Demand that is so informal that it would be considered under the PCT Rules as if it had not been submitted will not be considered a proper Demand under the rule. A change in purpose after the filing of a Demand will not entitle an applicant to a refund of the preliminary examination fee. PCT Rule 57.6 states that in no case shall the handling fee, or any supplement to the handling fee, be refunded.

A new § 1.482 is added to specify the international preliminary examination fees. Paragraph (a) sets a lower fee for the international preliminary examination where an international search fee has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority. Paragraph (a) also sets a lower additional preliminary examination fee for the preliminary examination of additional inventions found in the international application where a supplemental search fee has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority. Paragraph (b) indicates that the handling fee is prescribed in PCT Rule 57 and any necessary supplement to the handling fee shall be paid directly to the International Bureau in accordance with PCT Rule 57.1(b).

A new § 1.484 is added to describe the conduct of international preliminary examination. The rule describes that, if necessary, a written opinion will be established after consideration of any defects in accordance with PCT Rule 66.2 and after an examination to determine if the claimed invention has novelty, involves an inventive step (is non-obvious) and is industrially applicable. A written opinion prior to the international preliminary examination report would not be necessary if the international application does not contain any defects as mentioned in PCT Rule 66.2 and if all claims are found to be novel, involve an inventive step (non-obvious) and are industrially applicable. The written opinion will set a time limit for applicant to respond in accordance with PCT Rule 66.2(d). The time limit for reply will normally be two months but will be three months where the time limit will expire prior to 25 months from the priority date. The time limit may not be extended due to the tight time constraints under Chapter II of the Patent Cooperation Treaty. An international preliminary examination report will be established and one copy will be submitted to the International Bureau and one copy to applicant. The rule specifies that no international preliminary examination report will be established prior to issuance of an international search report and that no international preliminary examination will be conducted on inventions not previously searched by an International Searching Authority. Paragraph (f) specifies that at least one personal or telephone interview with the examiner will be permitted during the international preliminary examination. Additional interviews are permissible if the examiner determines that it would be helpful. Additional interviews will be governed, in part, by the time remaining before the time for issuance of the international preliminary examination report. The period during which the interview(s) can be held is limited by the non-extendable time limit for response by the applicant to a written opinion. Although nothing in this or any other rule limits the number of written opinions which may be established prior to the International Preliminary Examination Report, in most cases time will limit the number of written opinions to one.

A new § 1.485 is added to deal with amendments by applicant during international preliminary examination. An applicant is permitted by the rule to make amendments at the time of filing of the Demand and within the period set in any written opinion on the application as defined in § 1.484. Amendments under the rule would be required to be made by submitting replacement sheets and a description of how the replacement sheet differs from the

replaced sheet. If an amendment cancels an entire sheet, that amendment should be communicated by letter without a replacement sheet. Proposed paragraph (b) is not promulgated because the substance thereof is set forth in § 1.484(d).

New § 1.487 defines what constitutes unity of invention before the International Preliminary Examining Authority. The standards for unity of invention generally parallel those set in § 1.475 regarding proceedings before the International Searching Authority.

New § 1.488 is added to set forth how the International Preliminary Examining Authority will proceed in handling determinations regarding the unity of invention criteria of § 1.487.

New § 1.489 sets forth the procedures to be followed by an applicant who wishes to protest a holding of lack of unity of invention by the International Preliminary Examining Authority. The additional fees would be required to be paid if more than one invention is to be examined, but could be accompanied by a request for refund and a statement setting forth reasons for disagreement with the holding of lack of unity of invention or why the required additional fees are excessive. This rule is in accordance with PCT Rule 68.3(c).

New § 1.491 is added to define the start of the national stage. Section 1.491 is the first rule in a new group of rules relating to applications entering the national stage pursuant to 35 U.S.C. 371.

New § 1.492 is added to set forth the fees and charges for international applications entering the national stage under 35 U.S.C. 371. The basic national fee is set forth in paragraph (a) at four levels to reflect the benefit that the United States Patent and Trademark Office will derive from having previously conducted an international preliminary examination or an international search. In § 1.492(a)(2) and (3), "(i)" has been deleted in order to refer to both § 1.445(a)(2)(i) and (ii). Paragraph (a)(4) which makes reference to § 1.496(b) has been added in view of comments received that indicated that in some instances substantial reliance may be placed upon the International Preliminary Examination Reports by the Patent and Trademark Office. The rule also sets the fee for an independent claim in excess of 3 (paragraph (b)), for presentation of each claim in excess of 20 (paragraph (c)) and for an application containing a multiple dependent claims (paragraph (d)). Paragraphs (e) and (f) include the fees previously contained in § 1.445 and include the alternative times for entering the national stage pursuant to § 1.494 or § 1.495.

New § 1.494 is added to contain substantially the provisions of former § 1.61 in amended form. This section relating to filing application documents in the United States Patent and Trademark Office to enter the national stage has been grouped with other sections relating to the national stage for the convenience of applicants and examiners involved in the prosecution of international applications entering the national stage. The rule applies where no Demand for international preliminary examination has been filed prior to the expiration of the 19th month from the priority date. If such a Demand were filed, § 1.495 would apply.

Section 1.494(f) requires that a specific indication be given by the applicant when entering the national stage that the documents being submitted are being submitted under 35 U.S.C. 371. If no clear indication is found, the documents will be considered to be for a regular national application under 35 U.S.C. 111. Paragraph (g) makes clear that the various time limits set out in the rule, some of which are set by the PCT, may not be extended pursuant to § 1.136 or otherwise. The extension of time provisions, including petition and payment of a fee, set out in § 1.136(a) do not apply to the time limits of the rule or time limits set by the International Searching Authority or the International Preliminary Examining Authority. New paragraph (h) clarifies when an international application designating the United States becomes abandoned as to the United States.

New § 1.495 is added to deal with filing application documents in the United States Patent and Trademark Office to enter the national stage where a Demand for international preliminary examination has been filed with an International Preliminary Examining Authority prior to the expiration of the 19th month from the priority date. In such a case, an applicant will have 30 months from the priority date to enter the national stage. The rule parallels in many respects § 1.494. New paragraph (i) clarifies when an international application electing the United States becomes abandoned as to the United States.

New § 1.496 is added to specify in paragraph (a) that international applications in the national stage will be taken up for action based on the date when the requirements of 35 U.S.C. 371(c) are met. Paragraph (b) indicates that applications entering the U.S. national stage only with claims which have been found in an International Preliminary Examination Report to have satisfied the criteria for novelty, inventive step (non-obviousness) and industrial applicability as defined in PCT Article 33(1) to (4) will be taken up for action before other applications. Preliminary amendments may accompany the filing of the national stage application to cancel claims which do not satisfy the criteria. These applications will have paid the lower filing fee set in § 1.492(a)(4) and most will not require extensive prosecution, i.e., objection or rejection before resolving the issue of patentability. Amendments will not be permitted to be made in such applications other than in response to objections as to form or to cancel claims in response to a rejection made by the examiner in the national stage application. Such a rejection could be necessary, for example, where applicant submits information in accordance with the duty of disclosure under 37 CFR 1.56(a).

New § 1.497 is added to contain substantially the wording of removed § 1.70. This rule relates to the oath or declaration required to enter the national stage and is grouped with other national stage entry requirements.

New § 1.499 is added to cover unity of invention during the national stage. The provisions of the section are basically parallel to those of §§ 1.475 and 1.487. Paragraph (f) indicates the manner of handling a finding of lack of unity of invention on grounds other than those involving different categories of invention.

Environmental, Energy, and Other Considerations

The rule change does not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) because considerable savings can potentially be achieved under Chapter II of the Patent Cooperation Treaty because additional time is provided for applicants to decide whether to proceed with the cost of foreign prosecution and savings will in fact be achieved under the unity of invention practice and the provision for reduced fees for small entities entering the national stage in making an application for a United States patent.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The information collection requirement contained in these rules was submitted to the Office of Management and Budget (OMB) at the time of the proposed rulemaking for review under Section 3504(h) of the Paperwork Reduction Act. OMB has approved the information collection requirement and has assigned OMB control number 0651-0021 thereto.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Courts, Inventions and patents, Lawyers.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by a 35 U.S.C. 6 and 376(b) and Pub. L. 99-616, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.8 is amended by revising paragraph (a)(2)(xi) to read as follows:

§ 1.8 Certificate of mailing.

(a) * * *

(2) * * *

(xi) The filing of international applications for patent and all papers and fees relating thereto.

* * * * *

§ 1.61 [Removed]

3. Section 1.61 is removed.

§ 1.70 [Removed]

4. Section 1.70 is removed.

5. Section 1.101 is amended by revising paragraph (a) to read as follows:

§ 1.101 Order of examination.

(a) Applications filed in the Patent and Trademark Office and accepted as complete applications are assigned for examination to the respective examining groups having the classes of inventions to which the applications relate. Applications shall be taken up for examination by the examiner to whom they have been assigned in the order in which they have been filed except for those applications in which examination has been advanced pursuant to § 1.102. See § 1.496 for order of examination of international applications in the national stage.

* * * * *

6. Section 1.141 is revised to read as follows:

§ 1.141 Different inventions in one national application.

(a) Two or more independent and distinct inventions may not be claimed in one national application, except that more than one species of an invention, not to exceed a reasonable number, may be specifically claimed in different claims in one national application, provided the application also includes an allowable claim generic to all the claimed species and all the claims to species in excess of one are written in dependent form (§ 1.75) or otherwise include all the limitations of the generic claim.

(b) Where claims to all three categories, product, process of making, and process of use, are included in a national application, a three way requirement for restriction can only be made where the process of making is distinct from the product. If the process of making and the product are not distinct, the process of using may be joined with the claims directed to the product and the process of making the product even though a showing of distinctness between the product and process of using the product can be made.

Subpart C—International Processing Provisions

7. The authority for Subpart C is revised to read as follows:

Authority: Pub. L. 94-131, 89 Stat. 685; Pub. L. 99-616, 35 U.S.C 351 through 376.

8. Section 1.401 is amended to redesignate paragraph (g) as paragraph (i) and add new paragraphs (g) and (h) as follows:

§ 1.401 Definitions of terms under the Patent Cooperation Treaty

* * * * *

(g) "Demand," when capitalized, means that document filed with the International Preliminary Examining Authority which requests an international preliminary examination.

(h) "Annexes" means amendments made to the claims, description or the drawings before the International Preliminary Examining Authority.

* * * * *

9. Section 1.414 is revised to read as follows:

§ 1.414 The United States Patent and Trademark Office as a Designated Office or Elected Office.

(a) The United States Patent and Trademark Office will act as a Designated Office or Elected Office for international applications in which the United States of America has been designated or elected as a State in which patent protection is desired.

(b) The United States Patent and Trademark Office, when acting as a Designated Office or Elected Office during international processing will be identified by the full title "United States Designated Office" or by the abbreviation "DO/US" or by the full title "United States Elected Office" or by the abbreviation "EO/US".

(c) The major functions of the United States Designated Office or Elected Office in respect to international applications in which the United States of America has been designated or elected, include:

(1) Receiving various notification throughout the international stage and

(2) Accepting for national stage examination international applications which satisfy the requirements of 35 U.S.C. 371.

10. Under "General Information," a new § 1.416 is added to read as follows:

§ 1.416 The United States International Preliminary Examining Authority.

(a) Pursuant to appointment by the Assembly, the United States Patent and Trademark Office will act as an International Preliminary Examining Authority for international applications filed in the United States Receiving Office and in other Receiving Offices as may be agreed upon by the Commissioner, in accordance with agreement between the Patent and Trademark Office and the International Bureau.

(b) The United States Patent and Trademark Office, when acting as an International Preliminary Examining Authority, will be identified by the full title "United States International Preliminary Examining Authority" or by the abbreviation, "IPEA/US."

(c) The major functions of the International Preliminary Examining Authority include:

(1) Receiving and checking for defects in the Demand;
(2) Collecting the handling fee for the International Bureau and the preliminary examination fee for the United States International Preliminary Examining Authority;

(3) Informing applicant of receipt of the Demand;

(4) Considering the matter of unity of invention;

(5) Providing an international preliminary examination report which is a non-binding opinion on the questions whether the claimed invention appears to be novel, to involve an inventive step (to be non-obvious), and to be industrially applicable; and

(6) Transmitting the international preliminary examination report to applicant and the International Bureau.

11. Section 1.431 is amended by revising paragraph (d)(2) to read as follows:

§ 1.431 International application requirements.

* * * * *

(d) * * *

(2) The designation fee, or the amount necessary to cover all the designations made in the request if not paid by the applicant within one year from the priority date or within one month from

the date of receipt of the international application if that month expires after the expiration of one year from the priority date.

* * * * *

12. Section 1.432 is amended by revising paragraph (b) to read as follows:

§ 1.432 Designation of States and payment of designation fees.

* * * * *

(b) The designation fees may be paid upon filing of the international application, but must be paid before the expiration of one year from the priority date or within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date. Failure to timely pay the designation fee for a particular Designated State will result in the withdrawal of that designation. Failure to timely pay at least one designation fee will result in the withdrawal of the international application.

13. Section 1.445 is amended by revising the title and paragraph (a) to read as follows:

§ 1.445 International application filing, processing and search fees.

(a) The following fees and charges for international applications are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A transmittal fee (see 35 U.S.C. 361(d) and PCT Rule 14), \$170.00.

(2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

(i) No corresponding prior United States national application with basic filing fee has been filed, \$520.00.

(ii) A corresponding prior United States national application with basic filing fee has been filed, \$350.00.

(3) A supplemental search fee when required, per additional invention, \$140.00.

§ 1.475 [Redesignated as § 1.472]

14. Section 1.475 is redesignated as § 1.472.

15. A new § 1.475 is added following the heading, "Unity of Invention," to read as follows:

§ 1.475 Unity of invention before the International Searching Authority.

(a) An international application before the International Searching Authority will be considered to have unity of invention if the claims are in accordance with PCT Rule 13 (see paragraph (f) of this section).

(b) An international application containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the combinations of categories as set forth in PCT Rule 13.2 (see paragraph (f) of this section) or to the combination of—

(1) A product and a process for the manufacture of said product, or

(2) A product and a process of use of said product.

If an application contains claims to more or less than one of the combinations of categories set forth in PCT Rule 13.2 (see paragraph (f) of this section) or a combination set forth in paragraphs (b)(1) or (2) of this section, unity of invention may not be present.

(c) If an international application contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this

section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.

(d) Unity of invention will exist where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see paragraph (f) of this section) or in a combination set forth in paragraphs (b)(1) or (2) of this section. If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the inventions to be searched. Any such holding by the examiner will be made of record as a holding of lack of unity of invention.

(e) The inventions recited by the claims of different categories must be related rather than independent inventions.

(f) The wording of PCT Rule 13 is as follows:

PCT Rule 13—Unity of Invention

13.1 Requirement

The international application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept ("requirement of unity of invention").

13.2 Claims of Different Categories

Rule 13.1 shall be construed as permitting, in particular, one of the following three possibilities:

(i) in addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the said product, and the inclusion in the same international application of an independent claim for a use of the said product, or

(ii) in addition to an independent claim for a given process, the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the said process, or

(iii) in addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the product, and the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the process.

13.3 Claims of One and the Same Category

Subject to Rule 13.1, it shall be permitted to include in the same international application two or more independent claims of the same category (i.e., product, process, apparatus, or use) which cannot readily be covered by a single generic claim.

13.4 Dependent Claims

Subject to Rule 13.1, it shall be permitted to include in the same international application a reasonable number of dependent claims, claiming specific forms of the invention claimed in an independent claim, even where the features of any dependent claim could be considered as constituting in themselves an invention.

13.5 Utility Models

Any designated State in which the grant of a utility model is sought on the basis of an international application may, instead of Rules 13.1 to 13.4, apply in respect of the matters regulated in those Rules the provisions of its national law concerning utility models once the processing of the international application has started in that State, provided that the applicant shall be allowed at least two months from the expiration of the time limit applicable under Article 22 to adapt his application to the requirements of the said provisions of the national law.

16. Section 1.481 is redesignated as § 1.476 and is amended by revising paragraph (a) to read as follows:

§ 1.476 Determination of unity of invention before the International Searching Authority.

(a) Before establishing the international search report, the International Searching Authority will determine whether the international application complies with the requirement of unity of invention as set forth in PCT Rule 13 (see § 1.475(f)) and § 1.475.

17. Section 1.482 is redesignated as § 1.477 and is amended by revising the title and paragraph (b) to read as follows:

§ 1.477 Protest to lack of unity of invention before the International Searching Authority.

(b) Protest under paragraph (a) of this section will be examined by the Commissioner or the Commissioner's designee. In the event that the applicant's protest is determined to be justified, the additional fees or a portion thereof will be refunded.

18. A new Section 1.480 is added preceded by a heading to read as follows:

International Preliminary Examination

§ 1.480 Demand for international preliminary examination.

(a) On the filing of a Demand and payment of the fees for international preliminary examination (§ 1.482), the international application shall be the subject of an international preliminary examination. The preliminary examination fee (§ 1.482(a)(1)) and the handling fee (§ 1.482(b)) shall be due at the time of filing of the Demand.

(b) The Demand shall be made on a standardized printed form. Copies of the printed Demand forms are available from the Patent and Trademark Office. Letters requesting printed forms should be marked "Box PCT".

(c) If the Demand is made prior to the expiration of the 19th month from the priority date and the United States of America is elected, the provisions of § 1.495 shall apply rather than § 1.494.

(d) Withdrawal of a proper Demand will not entitle applicant to a refund of the preliminary examination fee or handling fee.

19. A new Section 1.482 is added to read as follows:

§ 1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A preliminary examination fee is due on filing the Demand:

(i) Where an international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, a preliminary examination fee of, \$370.00.

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, a preliminary examination fee of, \$570.00.

(2) An additional preliminary examination fee when required, per additional invention:

(i) Where a supplemental search fee as set forth in § 1.445(a)(3) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, \$125.00.

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, \$190.00.

(b) The handling fee is due on filing the Demand. Any necessary supplement to the handling fee shall be paid directly to the International Bureau.

(35 U.S.C. 6, 376)

20. A new § 1.484 is added to read as follows:

§ 1.484 Conduct of international preliminary examination.

(a) An international preliminary examination will be conducted to formulate a non-binding opinion as to whether the claimed invention has novelty, involves an inventive step (is non-obvious) and is industrially applicable.

(b) No international preliminary examination report will be established prior to issuance of an international search report.

(c) No international preliminary examination will be conducted on inventions not previously searched by an International Searching Authority.

(d) The International Preliminary Examining Authority will establish a written opinion if any defect exists or if the claimed invention lacks novelty, inventive step or industrial applicability and will set a non-extendable time limit in the written opinion for the applicant to respond.

(e) If no written opinion under paragraph (d) of this section is necessary, or after any written opinion and the response thereto or the expiration of the time limit for response to such written opinion, an international preliminary examination report will be established by the International Preliminary Examining Authority. One copy will be submitted to the International Bureau and one copy will be submitted to the applicant.

(f) An applicant will be permitted a personal or telephone interview with the examiner, which must be conducted during the non-extendable time limit for response by the applicant to a written opinion. Additional interviews may be conducted where the examiner determines that such additional interviews may be helpful to advancing the international preliminary examination procedure. A summary of any such personal or telephone interview must be filed by the applicant as a part of the response to the written opinion or, if applicant files no response, be made of record in the file by the examiner.

21. A new § 1.485 is added to read as follows:

§ 1.485 Amendments by applicant during international preliminary examination.

The applicant may make amendments at the time of filing of the Demand and within the time limit set by the International Preliminary Examining Authority for response to any written opinion. Any such amendments must—

(1) Be made by submitting a replacement sheet for every sheet of the application which differs from the sheet it replaces unless an entire sheet is cancelled and

(2) Include a description of how the replacement sheet differs from the replaced sheet.

If an amendment cancels an entire sheet of the international application, that amendment shall be communicated in a letter.

22. A new § 1.487 is added to read as follows:

§ 1.487 Unity of invention before the International Preliminary Examining Authority.

(a) An international application before the International Preliminary Examining Authority will be considered to have unity of invention if the claims are in accordance with PCT Rule 13 (see § 1.475(f)).

(b) An international application containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the combinations of categories as set forth in PCT Rule 13.2 (see § 1.475(f)) or to the combination of—

(1) A product and a process for the manufacture of said product or

(2) A product and a process of use of said product.

If an application contains claims to more or less than one of the combinations of categories of invention set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) or (2) of this section, unity of invention may not be present.

(c) If an international application contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.

(d) Unity of invention will exist where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) or (2) of this section. If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the inventions to be examined. Any such holding by the examiner will be made of record as a holding of lack of unity of invention.

(e) The inventions recited by the claims of different categories must be related rather than independent inventions.

23. A new § 1.488 is added to read as follows:

§ 1.488 Determination of unity of invention before the International Preliminary Examining Authority.

(a) Before establishing any written opinion or the international preliminary examination report, the International Preliminary Examining Authority will determine whether the international application complies with the requirement of unity of invention as set forth in § 1.487.

(b) If the International Preliminary Examining Authority considers that the international application does not comply with the requirement of unity of invention, it may:

(1) Issue a written opinion and/or an international preliminary examination report, in respect of the entire international application and indicate that unity of invention is lacking and specify the reasons therefor without extending an invitation to restrict or pay additional fees. No international preliminary examination will be conducted on inventions not previously searched by an International Searching Authority.

(2) Invite the applicant to restrict the claims or pay additional fees, pointing out the categories of invention found, within a set time limit which will not be extended. No international preliminary examination will be conducted on inventions not previously searched by an International Searching Authority, or

(3) If applicant fails to restrict the claims or pay additional fees within the time limit set for response, the International Preliminary Examining Authority will issue a written opinion and/or establish an international preliminary examination report on the main invention and shall indicate the relevant facts in the said report. In case of any doubt as to which invention is the main invention, the invention first mentioned in the claims and previously searched by an International Searching Authority shall be considered the main invention.

(c) Lack of unity of invention may be directly evident before considering the claims in relation to any prior art, or after taking the prior art into consideration, as where a document discovered during the search shows the invention claimed in a generic or linking claim lacks novelty or is clearly obvious, leaving two or more claims joined thereby without a common inventive concept. In such a case the International Preliminary Examining Authority may raise the objection of lack of unity of invention.

24. A new § 1.489 is added to read as follows:

§ 1.489 Protest to lack of unity of invention before the International Preliminary Examining Authority.

(a) If the applicant disagrees with the holding of lack of unity of invention by the International Preliminary Examining Authority, additional fees may be paid under protest, accompanied by a request for refund and a statement setting forth reasons for disagreement or why the required additional fees are considered excessive, or both.

(b) Protest under paragraph (a) of this section will be examined by the Commissioner or the Commissioner's designee. In the event that the applicant's protest is determined to be justified, the additional fees or a portion thereof will be refunded.

(c) An applicant who desires that a copy of the protest and the decision thereon accompany the international preliminary examination report when forwarded to the Elected Offices, may notify the International Preliminary Examining Authority to that effect any time prior to the issuance of the international preliminary examination report. Thereafter, such notification should be directed to the International Bureau.

25. A new § 1.491 is added preceded by a new heading to read as follows:

National Stage

§ 1.491 Entry into the national stage.

An international application enters the national stage when the applicant has filed the documents and fees required by 35 U.S.C. 371(c) within the periods set forth in § 1.494 or § 1.495.

26. A new § 1.492 is added to read as follows:

§ 1.492 National stage fees.

The following fees and charges for international applications entering the national stage under 35 U.S.C. 371 are established by the Commissioner under 35 U.S.C. 376:

(a) The basic national fee;

(1) Where an international preliminary examination fee as set forth in § 1.482 has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f))\$150
By other than a small entity\$300

(2) Where no international preliminary examination fee as set forth in § 1.482 has been paid to the United States Patent and Trademark Office, but an international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority:

By small entity (§ 1.9(f))\$170
By other than small entity\$340

(3) Where no international preliminary examination fee as set forth in § 1.482 has been paid and no international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f))\$225
By other than a small entity\$45

(4) Where the international preliminary examination fee as set forth in § 1.482 has been paid to the United States Patent and Trademark Office and the international preliminary examination report states that the criteria of novelty, inventive step (non-obviousness), and industrial applicability, as defined in PCT Article 33(1) to (4) have been satisfied for all the claims presented in the application entering the national stage (see § 1.496(b)):

By a small entity (§ 1.9(f))\$25
By other than a small entity\$50

(b) In addition to the basic national fee, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f))\$17
By other than a small entity\$34

(c) In addition to the basic national fee, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes.):

By a small entity (§ 1.9(f))\$6
By other than a small entity\$12

(d) In addition to the basic national fee, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity (§ 1.9(f))\$55
By other than a small entity\$110

(If the additional fees required by paragraphs (b), (c) and (d) are not paid on presentation of the claims for which the additional fees are due, they must be paid or the claims cancelled by amendment, prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(e) Surcharge for filing the basic national fee or oath or declaration later than 20 months from the priority date pursuant to § 1.494(c) or later than 30 months from the priority date pursuant to § 1.495(c):

By a small entity (§ 1.9(f))\$55
By other than a small entity\$110

(f) For filing an English translation of an international application later than 20 months after the priority date § 1.494(c)) or for filing an English translation of the international application or of any annexes to the international preliminary examination report later than 30 months after the priority date § 1.495(c) and (e)), ...\$26.00.

(35 U.S.C. 6, 376)

27. A new § 1.494 is added to read as follows:

§ 1.494 Entering the national stage in the United States of America as a Designated Office.

(a) Where no Demand has been filed with an appropriate International Preliminary Examining Authority by the expiration of 19 months from the priority date (see § 1.495), the applicant must fulfill the requirements of PCT Article 22 and 35 U.S.C. 371 within the time periods set forth in paragraphs (b) or (c) of this section in order to prevent the abandonment of the international application as to the United States of America. International applications for which those requirements are timely fulfilled will enter the national stage and obtain an examination as to the patentability of the invention in the United States of America.

(b) The applicant shall furnish to the United States Patent and Trademark Office not later than the expiration of 20 months from the priority date

(1) A copy of the international application, unless it has been previously communicated by the International Bureau or unless it was originally filed in the United States Patent and Trademark Office;

(2) A translation of the international application into the English language, if it was originally filed in another language;

(3) The basic national fee (see § 1.492(a); and
(4) An oath or declaration of the inventor (see § 1.497).

(c) The applicant may furnish any required English translation of the international application, the basic national fee and the oath or declaration of the inventor after 20 months but not later than the expiration of 22 months from the priority date. The payment of the processing fee set forth in § 1.492(f) is required for acceptance of an English translation later than the expiration of 20 months after the priority date. The payment of the surcharge set forth in § 1.492(e) is required for acceptance of the basic national fee or the oath or declaration of the inventor later than the expiration of 20 months after the priority date.

(d) A copy of any amendments to the claims made under PCT Article 19, and a translation of those amendments into English, if they were made in another language, must be furnished not later than the expiration of 20 months from the priority date. Amendments under PCT Article 19 which are not received by the expiration of 20 months from the priority date will be considered to be cancelled.

(e) Verification of the translation of the international application or any other document pertaining to an international application may be required where it is considered necessary, if the international application or other document was filed in a language other than English.

(f) The documents and fees submitted under paragraphs (b) and (c) of this section must be clearly identified as a submission to enter the national stage under 35 U.S.C. 371, otherwise the

submission will be considered as being made under 35 U.S.C. 111.

(g) The time limits set out in paragraphs (b), (c) and (d) of this section may not be extended pursuant to § 1.136 or otherwise.

(h) An international application becomes abandoned as to the United States 20 months from the priority date if a copy of the international application is not communicated to the Patent and Trademark Office prior to 20 months from the priority date where the United States has been designated but not elected prior to 19 months from the priority date. If a copy of the international application is communicated within 20 months to the Patent and Trademark Office, an international application will become abandoned as to the United States 22 months from the priority date if the required English translation(s), fees and oath or declaration under 35 U.S.C. 371(c) are not filed within 22 months from the priority date.

28. A new § 1.495 is added to read as follows:

§ 1.495 Entering the national stage in the United States of America as an Elected Office.

(a) Where a Demand has been filed with an appropriate International Preliminary Examining Authority and not withdrawn by the expiration of 19 months from the priority date, the applicant must fulfill the requirements of 35 U.S.C. 371 within the time periods set forth in paragraph (b) or (c) of this section in order to prevent the abandonment of the international application as to the United States of America. International applications for which those requirements are timely fulfilled will enter the national stage and obtain an examination as to the patentability of the invention in the United States of America.

(b) The applicant shall furnish to the United States Patent and Trademark Office not later than the expiration of 30 months from the priority date

(1) A copy of the international application, unless it has been previously communicated by the International Bureau or unless it was originally filed in the United States Patent and Trademark Office;

(2) A translation of the international application into the English language, if it was originally filed in another language;

(3) The basic national fee (see § 1.492(a); and

(4) An oath or declaration of the inventor (see § 1.497).

(c) The applicant may furnish any required English translation of the international application, the basic national fee and the oath or declaration of the inventor after 30 months but not later than the expiration of 32 months from the priority date. The payment of the processing fee set forth in § 1.492(f) is required for acceptance of an English translation later than the expiration of 30 months after the priority date. The payment of the surcharge set forth in § 1.492(e) is required for acceptance of the basic national fee or the oath or declaration of the inventor later than the expiration of 30 months after the priority date.

(d) A copy of any amendments to the claims made under PCT Article 19, and a translation of those amendments into English, if they were made in another language, must be furnished not later than the expiration of 30 months from the priority date. Amendments under PCT Article 19 which are not received by the expiration of 30 months from the priority date will be considered to be cancelled.

(e) A translation into English of any annexes to the international preliminary examination report, if the annexes were made in another language, must be furnished not later than the expiration of 30 months from the priority date. Translations of the annexes which are not received by the expiration of 30 months from the priority date may be submitted within 32 months from the priority date accompanied by the processing fee set forth in § 1.492(f). Translations of the annexes which are not timely received will be considered to be cancelled.

(f) Verification of the translation of the international application or any other document pertaining to an international application may be required where it is considered necessary, if the international application or other document was filed in a language other than English.

(g) The documents submitted under paragraphs (b) and (c) of this section must be clearly identified as a submission to enter the national stage under 35 U.S.C. 371, otherwise the submission will be considered as being made under 35 U.S.C. 111.

(h) The time limits set out in paragraphs (b), (c), (d) and (e) of this section may not be extended pursuant to § 1.136 or otherwise.

(i) An international application becomes abandoned as to the United States 30 months from the priority date if a copy of the international application is not communicated to the Patent and Trademark Office prior to 30 months from the priority date and a Demand for International Preliminary Examination which elected the United States of America has been filed prior to the expiration of 19 months from the priority date. If a copy of the international application is communicated within 30 months to the Patent and Trademark Office, an international application will become abandoned as to the United States 32 months from the priority date if the required English translation(s), fees and oath or declaration under 35 U.S.C. 371(c) are not filed within 32 months from the priority date.

29. A new § 1.496 is added to read as follows:

§ 1.496 Examination of international applications in the national stage.

(a) International applications which have complied with the requirements of 35 U.S.C. 371(c) will be taken up for action based on the date on which such requirements were met. However, unless an express request for early processing has been filed under 35 U.S.C. 371(f), no action may be taken prior to one month after entry into the national stage.

(b) A national stage application filed under 35 U.S.C. 371 may have paid therein the basic national fee as set forth in § 1.492(a)(4) if it contains, or is amended to contain, at the time of entry into the national stage, only claims which have been indicated in an international preliminary examination report prepared by the United States Patent and Trademark Office as satisfying the criteria of PCT Article 33(1)-(4) as to novelty, inventive step and industrial applicability. Such national stage applications in which the basic national fee as set forth in § 1.492(a)(4) has been paid may be amended subsequent to the date of entry into the national stage only to the extent necessary to eliminate objections as to form or to cancel rejected claims. Such national stage applications in which the basic national fee as set forth in § 1.492(a)(4) has been paid will be taken up out of order.

30. A new § 1.497 is added to read as follows:

§ 1.497 Oath or declaration under 35 U.S.C. 371(c)(4).

(a) When an applicant of an international application, if the inventor, desires to enter the national stage under 35 U.S.C. 371 pursuant to § 1.494 or § 1.495, he or she must file an oath or declaration in accordance with § 1.63.

(b) If the international application was made as provided in § 1.422, 1.423 or 1.425, the applicant shall state his or her relationship to the inventor and, upon information and belief, the facts which the inventor is required by § 1.63 to state.

31. A new § 1.499 is added to read as follows:

§ 1.499 Unity of invention during the national stage.

(a) An international application which has entered the national stage by meeting the requirements of 35 U.S.C. 371 will be considered to have unity of invention if the claims are in accordance with PCT Rule 13 (see § 1.475 (f)).

(b) An application in the national stage containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the combinations of categories as set forth in PCT Rule 13.2 (see § 1.475(f)) or to the combination of—

(1) A product and a process for the manufacture of said product or 31

(2) A product and a process of use of said product.

If an application contains claims to more or less than one of the combinations of categories of invention set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) and (2) of this section, unity of invention may not be present.

(c) If an application in the national stage contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.

(d) Unity of invention will exist in an application in the national stage where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraph (b)(1) or (2) of this section. If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the elected invention to be examined. Any such holding of an election by the examiner will be made in the form of a restriction requirement which confirms the election made by the presentation of the claims. Such a restriction requirement would be made on the basis of whether the inventions are independent and distinct. Applicant has the right to traverse such a restriction requirement in the response to the Office action in which the election is indicated.

(e) The inventions recited by the claims of different categories must be related rather than independent inventions.

(f) If the examiner finds that a national stage application lacks unity of invention, the examiner may in an Office action require the applicant in the response to the Office action to elect the invention to which the claims shall be restricted, this official action being called a requirement for restriction. Such requirement may be made before any action on the merits but may be made at any time before the final action at the discretion of the examiner. Review of any such requirement is provided under §§ 1.143 and 1.144.

Apr. 28, 1987 DONALD J. QUIGG,
*Assistant Secretary and Commissioner
of Patents and Trademarks*

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[1079 OG 32]

(95) Summary Results of 1991 Patent Action Survey

The Patent and Trademark Office conducted a survey in the March-June 1991 period to gather information from patent practitioners and other Office "customers" about the quality of Office actions. Approximately 27,000 questionnaires (survey forms) were mailed with Office actions. Each survey form included 10 specific questions and provided space to make general comments. Each survey form identified only the Examining Group to which the application was assigned so that all responses would be completely anonymous.

Approximately 4,200 survey forms were returned (16% return rate).

Results

I. A tabulation of respondents' answers to the 10 specific questions revealed the following compliance rates relative to the accompanying Office actions:

35 U.S.C. 103 Rejections:

1. 72% identify portion of references relied on.
2. 70% indicate how teachings of references are modified or combined.
3. 65% communicate the rationale why the claimed invention would have been obvious.

35 U.S.C. 112, 1st para. rejections:

4. 58% sufficiently explain "new matter" position.
5. 67% sufficiently explain "non-enabling" disclosure position.

Final Rejection Practice:

- 6. 56% respond to applicant's arguments.
- 7. 52% of Advisory Actions identify new issues and/or new matter when denying entry.

Allowance Practice:

- 8. 90% of reasons for allowance were clear.

Miscellaneous:

- 9. 45% clearly communicate reasons for finding declarations/affidavits unpersuasive.
- 10. 54% of Examiner's Answers address appellant's arguments.

The questions relating to "Final Rejection Practice" and to the "Miscellaneous" topic areas asked whether examiners respond to attorney arguments and how attorneys interpret the examiners' responses to their arguments. These topic areas and others where there are relatively low compliance rates have been identified as areas of Office practice needing improvement.

The responses to the 10 survey questions show that continuous improvement has been achieved in several areas. For example, the high percentage of affirmative responses in the area of explaining 35 U.S.C. 103 rejections (72%, 70%, and 65%) reflects a clear improvement over internal surveys made within the last several years, and reflects the effectiveness of recent extensive Office training programs in this area. It is also apparent there is still room for further improvement. Another positive result was that 90% of respondents, commenting on Reasons for Allowance, felt that the reasons given were clear.

II. Analysis of respondents' general comments:

Over 1800 survey forms were returned with comments (43% of total responses). While these comments were directed toward many different areas, two major categories were apparent:

Category A: 62% of the comments expressed the need for additional quality improvement of actions.

The most commonly expressed comments in this category indicate that the quality of Office actions can be improved by giving a better explanation of the rationale or reasons in support of rejections. Examples of comments received include: all elements of claims are not addressed in 35 U.S.C. 102(b) rejections; one of the references used in a 35 U.S.C. 103 rejection is not explained; features of dependent claims were not treated; claim limitations were ignored; "boilerplate" 35 U.S.C. 103 rejections were being given; and it was difficult to understand the rationale for the rejection, and, therefore, to file a proper and meaningful response.

The second most common type of comment in this category indicated that examiners misunderstand an essential feature. For example: actions reflect a misunderstanding by the examiner of the scope and content of the prior art, the presently claimed invention, or the original disclosure. Further, comments indicate that some cited references seem to have no bearing on the claimed invention because the rejection of the claims is not supported by the disclosure of the applied reference.

Category B: 20% of the comments had compliments about the quality of Office actions.

The compliments acknowledged actions which presented a thorough analysis of the claim language with respect to the prior art references; which included suggestions for amendments to the claims so as to place the application in condition for allowance; and/or which gave a "tough" examination which would result in a stronger patent.

It is significant that the most common type of comment indicated that enhanced explanations would improve the quality of Office actions, while, at the same time, the second most common type of comment indicated that the quality of Office actions is considered to be very good in this regard. This seems to indicate that the quality of many Office actions are good, but that additional emphasis is still needed in this area.

Planned Initiatives:

The answers to the 10 questions and the comments are considered vital to current Office efforts to improve the quality of patent examination. The data, where statistically reliable, has been analyzed on an examining corps and individual group basis and the following initiatives have been, or will be, taken:

1. Update our continuing legal education program for experienced examiners with extra emphasis being placed on areas where improved performance is needed, such as the need for better motivation statements in rejections. Specific courses have been developed to provide tailored training in important areas, such as treatment of algorithms in claims, evaluating evidence submitted by applicants, and responding to applicant's arguments.
2. Enhance the Patent Academy curriculum for training junior examiners to place greater emphasis on the areas of examination where improved performance is needed, such as in responding to amendments after final rejection.
3. Implement focused training in each Examining Group to address specific technological/group specific problems that have been indicated by the survey. The training has been implemented in a variety of ways including one-on-one, art unit and group level programs. Form paragraphs have been developed to help ensure that applicant's arguments are appropriately considered and responded to in Office actions.
4. Develop follow-up surveys in order to determine if the corrective actions were successful. In this regard the answers to the questions and the concerns raised by respondents in their comments will serve as baselines for improvement.

The relatively small number of responses (only 16%, 4,200 responses from 27,000 survey forms mailed) resulted in statistically insignificant data for analysis of some questions at the group level. In part, this may have been due to confusion with prior perception surveys, requiring only a single response from each practitioner involved. Unlike perception surveys, each Patent Action Survey is specific to the Office action that accompanies it, and requests a brief response for that action. Hence, a practitioner who received more than one Office action with a survey form was requested to complete a survey form for each accompanying Office action.

The Office is planning follow-up surveys in FY-1992 and 1993. These surveys will be more meaningful and reliable if respondents answer the questions in as objective a manner as possible. Thus, respondents should try to objectively evaluate the accompanying examiner's action to see if that particular action did or did not include the feature(s) addressed by the question rather than whether there is agreement or disagreement with the examiner's position. Further, since greater participation would yield more reliable statistics, patent practitioners are encouraged to respond to future surveys.

Questions about the FY-1991 Patent Action Surveys should be directed to John Terapane, Director Group 1200, or Carolyn Ballard, Patent Action Survey Coordinator, both at (703) 308-0193.

June 29, 1992

STEPHEN G. KUNIN
*Deputy Assistant Commissioner
for Patents*

[1140 OG 62]

(96) Report on the Quality Reinforcement Program

The Patent and Trademark Office (PTO) has instituted a Quality Reinforcement Program to identify services offered by the PTO that are in need of improvement. As a part of this program, the Office, in cooperation with the American Intellectual Property Law Association (AIPALA), has completed an evaluation of selected practices performed by both patent examiners and representatives of patent applicants during the examination process. The results of this evaluation are detailed in Volume I of the PTO Report of the Quality Reinforcement Program. A summary of the findings of this report is presented below. This summary is presented to report on the findings and

to solicit suggestions from both the public and employees of the Patent & Trademark Office on steps that might be taken to raise the level of performance of those practices found to be in need of improvement. The full report and evaluation, which is quite extensive with over 350 pages, is available at the PTO.

Address: Comments and inquiries should be addressed to: The Commissioner of Patents and Trademarks, Washington, D.C. 20231, to the attention of Edward Kubasiewicz, Director, Examining Group 250, Rm. CP4-9D19.

Date: Comments should be submitted by June 16, 1987.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

Summary of Volume 1—Report on Current Level of Performance of Selected Patent Examining Corps Practices

This is a summary of Volume I of the Quality Reinforcement Program Report, which addresses the current level of performance of selected Patent Examining Corps practices. This summary presents a background of the Quality Reinforcement Program and a synopsis of conclusions reached for each selected practice.

Background of the Quality Reinforcement Program

On Feb. 25, 1986, President Reagan issued an executive order establishing a comprehensive program for the improvement of productivity throughout all of government. From this executive order the Department of Commerce evolved a Productivity Improvement Program entitled PROJECT PRIDE. The program was announced as encompassing productivity, quality excellence and client satisfaction.

The role of U.S. Patent and Trademark Office (PTO) in PROJECT PRIDE centers around quality, and is entitled the Quality Reinforcement Program.

The goal of the PTO program is to improve the quality of patent examining functions and the timeliness and quality of other public services. In particular, the program focuses on improving the quality of practices performed in three different areas of the PTO, i.e., the Patent Examining Corps, the Office of Administration and the Office of Documentation.

The quality of an issued patent and the record before the PTO in the patented file are extremely important to the patent owner and to others who may be competitors or otherwise affected by the patent. Investment decisions and the recoupment of research, development and marketing expenditures often depend upon patent protection. Potential licensees and infringers need to know where they stand in regard to an issued patent. Patent owners and others need to be able to have a high degree of confidence in the validity of a patent. Valid patents and a clear and correct file record will help to eliminate unnecessary and expensive patent litigation costs which are currently estimated to total at least \$800 million per year.

The concern for productivity and productivity improvement is not a recent development at the PTO. During the past quarter of a century one of the most pressing problems for the Office has been a large and growing backlog of unexamined patent applications and the resulting long pendency time between filing an application and issuance of a patent. The average pendency of patent applications in 1964 was 37 months. However, average pendency dropped steadily in the 1970s until it culminated in an average pendency of 18 months in 1977. This pendency was shortlived due to a loss of adequate resources. However, pendency is once again falling and it is expected that an average pendency of 18 months will be achieved in 1989.

Historically, the Office has successfully responded to situations similar to the one in which it presently finds itself. Beginning in the 1960s when the backlog of new applications exceeded 200,000, a program designed to drastically increase the productivity of the Corps was initiated. Part of that program was what has since become known as "compact prosecution". An increased staff of examiners was restructured to take a new approach toward examining in which patentable subject matter was looked for and indicated as early in the prosecution of the case as possible, references were automatically furnished with

actions, attorneys were urged to originally file claims of the broadest possible range of scope, telephonic prosecution was instituted, first actions and application disposals became the measure of examiners' performance, preprinted first action forms were designed, etc.

The question before the Office now is whether sufficient attention is being given to quality. The intent of the Quality Reinforcement Program, as it applies to the Patent Examining Corps, is to take stock of the present situation and to consider whether any corrective action needs to be taken to improve the quality of the examination process.

The Office is currently using and improving various tools to assure a quality examined patent. These tools include the quality review program, supervisory reviews of examiner work through the performance appraisal system and through the promotion and signatory authority programs, improved and expanded examiner training, development of the automated patent system to improve the quality of examiner searching, recruitment of "top-of-the-class" new examiners, and detailed and clear guidelines on examining policy and procedure.

The Quality Reinforcement Program is a new quality tool for improving the actual quality of the patents issued as well as the record behind the issuance of these patents. This new program differs from the quality review program in that this program looks at the key pieces of the patent examining process that contribute to and make up the end product or patent rather than looking only at the end product. The Quality Reinforcement Program focuses on the effectiveness and consistency with which examiners apply existing law and procedures and how they communicate their findings to applicants. The program also focuses on the attorney's contribution to this work product. Lastly, the program focuses on the timeliness of some of the services provided by the Corps' clerical support staff. Such focusing is not intended to be carried out one time only. Rather, the methodology used in this program will be applied to any key pieces, identified by PTO personnel or the bar in the future, as needing a review of the type dictated by this program. The aim in short is to build quality and timeliness from the ground up and to maintain them at a high level.

This report presents and analyzes the findings of the Quality Reinforcement Program only as the findings relate to practices performed in the Patent Examining Corps. The portion of the program reported in this volume represents a cooperative effort between the Corps and the American Intellectual Property Law Association (AIPLA) through its Ad Hoc Committee on Quality. The focus is on certain practices involved in the prosecution, examination and processing of patent applications by both the PTO and by patent applicants and their representatives.

Methodology

The methodology adopted for the program comprises the following process:

1. select target practices,
2. determine the current quality or performance level of the target practices,
3. compare the current performance of the target practices to the desired level of performance,
4. implement, where appropriate, steps to raise the current level of performance to the desired level,
5. subsequently, determine the level of performance of the target practices, and
6. compare the current level of performance to the subsequently determined level of performance to determine what, if any, change has occurred.

Target Practices

A number of practices were targeted for the program as a result of complaints and concerns, raised by the bar and PTO personnel. The targeted practices are identified as follows:

A. Explanations of Rejections

This program targeted examiner "explanations of rejections" as a practice to be reviewed based in part on a de-emphasis by the Office on the degree to which examiners were required to include detailed explana-

tions of the supporting rationale behind their rejections during the 1970s. The PTO instituted the use of an abbreviated, handwritten form (PTO-1142) for the preparation of first Office actions during the early 1970s. The form provided for a cryptic description of how the references were being combined in a § 103 rejection and provided little space for explanation of the supporting rationale behind rejections. The form was mandatory for all first actions, and was discontinued in 1982 primarily due to complaints from the patent bar and the courts that examiner explanations of rejections were not sufficient. The inclusion of "explanations of rejections" as a targeted practice for this program enables the evaluation of whether further improvement is needed in this area.

B. Final Rejection Practice

This program targeted "final rejection practice" for review based in part on the conflicting needs of PTO and patent applicants/attorneys in this area of practice. In order to reduce the time applicants must wait to obtain a patent and to increase efficiency of the examination process, the PTO uses various incentives for examiners to make their rejections final early in the prosecution.

To the contrary, patent applicants often desire to have the examiner repeatedly reconsider his or her position or to continue to amend the claims. These conflicting incentives often lead to disputes relating to the propriety and/or timeliness of final rejections and to whether amendments are entered after an action has been made final.

C. Information Disclosure Statements

This program targeted "information disclosure statements" for review based upon concerns expressed by both applicants/attorneys and by the Patent Examining Corps over the submission of these statements.

Patent examiners, in the interest of efficiency and productivity, are benefited by the disclosure to the Office of all material information relating to the patentability of the application prior to their first Office action. However, this must be balanced against the practical reality that applicants/attorneys often don't become aware of material information until later in the prosecution, and don't have readily available translations of foreign documents or copies of documents for submission to the PTO. This practice looks at the extent to which the practical needs of both the PTO and the applicant/attorney are served by the procedures relating to "information disclosure statement".

D. Interviews

This program targeted "interviews" for review to determine the extent to which personal discussions are held between examiners and attorneys and to evaluate whether the parties consider personal interviews to be a productive or helpful means for clarifying issues that may not have been clearly communicated in earlier written communications. Selection of "interviews" as a targeted practice was based in part on isolated complaints by some examiners that interviews were not always productive for them and by some attorneys that some examiners are reluctant to hold interviews.

PTO procedures require that all business with the Office be conducted in writing (37 CFR § 1.2). To comply with this rule and still accommodate request for oral discussions with examiners, it is PTO policy that the substance of all personal interviews must be reduced to writing (see § 713.04 of the MPEP). Selection of "interviews" as a targeted practice was also based on concerns that the written record include an explanation of the substance of all oral interviews. Under this practice, the program focused on determining the perceptions of examiners and attorneys about interviews.

E. Responses by Applicant

This program targeted "responses by applicant" for review to determine the extent to which practitioners representing patent applicants submit responses to examiner actions that are complete and in compliance with current rules and procedures. Specific activities under this topic, such as the extent to which explanations of why claims are considered unobvious over the art cited by the examiner and the degree of compliance with 37 CFR § 1.116 when amendments are presented after a final rejection, were selected based upon some complaints by examiners about attorney responses in these areas.

F. Completeness of the Record

This program targeted "Completeness of the Record" for review based primarily upon the importance of a complete file record to those who must review patented files and make important decisions based upon the facts and determinations therein. The necessity of insuring a complete file record has been urged by such diverse interests as federal court judges, potential licensees, potential infringers, and those attempting to avoid infringement.

This topic looks at the extent to which examiners insure a complete file record by including a statement of reasons for allowance where appropriate, fully and properly record the search of the prior art, and check foreign priority information for accuracy and completeness. This topic does not look at the extent to which examiners explain their rejection; see targeted practice A, "Explanation of Rejections." The extent to which applicants file complete responses is covered in targeted practice E, "Responses by Applicant."

G. Compact Prosecution

This program targeted "Compact Prosecution" for review based upon its importance as a key element in current PTO efforts to reduce pendency time of applications to an average of 18 months. The premise behind compact prosecution is that pendency time will be minimized if each stage of prosecution is fully and thoroughly conducted by both examiners and applicants. The demands of such a standard have inevitably led to complaints from each side relating to the completeness of considerations and the willingness to take that "extra step". Examiners have been criticized for confining searches to only what is literally claimed, and for failing to indicate possible areas of patentability at the earliest possible stage. Applicants have been criticized for failure to claim all limitations that might be considered patentable prior to the initial search by the examiner, for amending the claims to include these limitations only after first action, and for failing to correct significant formal deficiencies prior to initial examination.

H. Appeal Practice

This program targeted "Appeal Practice" for review primarily due to the recent and substantial increase in the backlog of appealed applications awaiting decision by the Board of Patent Appeals and Interferences. Primary emphasis was placed on determining the extent to which appellant's brief and the examiner's answer are formally complete so that expeditious consideration may be given by the Board.

As a result of the high priority being given by the PTO to reduce the backlog of cases at the Board, additional survey questions were included to determine the extent to which additional requirements beyond those currently in effect for the preparation of the appellant's brief and examiner's answer would be useful to examiners and the Board.

I. Allowances After Appeal Brief

This program targeted "Allowances after Appeal" for review in response to complaints that examiners often

allow cases after appellant has filed a brief when the cases should have been allowed before the brief was filed.

J. Processing Times

This program targeted "Processing Times" for review based upon its importance to the PTO goal of reducing pendency of patent applications to 18 months.

DETERMINATION OF CURRENT LEVELS OF PERFORMANCE

The step of determining the current level of performance of the targeted practices was accomplished through a number of surveys.

One survey, called the Applications Survey, was an internal factual survey that involved selecting a sample of 150 applications on a random basis from all the examining groups. A survey team, comprising three Supervisory Patent Examiners (SPEs) and three reviewers from Quality Review, performed a detailed review of the applications according to a questionnaire, which was developed with the joint cooperation of the AIPLA Ad Hoc Quality Committee.

A second survey, called the AIPLA Survey, was an opinion questionnaire provided by the AIPLA to 5500 of its members. The questionnaire was developed jointly with the AIPLA Ad Hoc Quality Committee. The AIPLA questionnaire sought the perception of the attorneys of the quality of the work performed by the Corps relative to the targeted practices. Space was provided for the respondents to include comments on the questionnaire. Over 1100 attorneys responded to the questionnaire.

Another survey, called the Examiners Survey, was also an opinion questionnaire provided to all patent examiners and SPEs on a voluntary and anonymous basis. The questionnaire queried the examiners and SPEs about the practices of the practitioners before the PTO. Space was provided for the respondents to include comments on the questionnaire. Over 650 responses were received.

A fourth survey, called the Appeals Survey, was also an internal factual survey. The questionnaire was developed with the cooperation of the AIPLA Ad Hoc Quality Committee. The questionnaire sought data about the practices carried out in the appeal process in the PTO. For this survey, 60 applications were selected on a random basis from all the examining groups. The survey team performed a detailed review of the applications according to the questionnaire.

Three other surveys were used to gather data. All of these surveys were developed and conducted by the Office of Quality Review. Two surveys involved the review of 1878 allowed applications concerning information disclosure statements. Another survey involved the review of 290 applications allowed after appellant had filed an appeal brief, but before an examiner's answer was prepared.

Relative to the processing times, PALM reports were used to obtain data on the practices targeted for this activity.

COMPARISON OF CURRENT LEVELS TO DESIRED LEVELS

The step of comparing the current levels of performance to the desired or standard levels of performance was accomplished by setting out the desired or standard level for each target practice. Next, all the information provided by the surveys was analyzed for each target practice and compared to the desired or standard level for the target practice. The analysis resulted in the following general conclusions. (A detailed listing of all conclusions for each targeted practice is presented in Section VII of Volume I of the Quality Reinforcement Program Report.)

SUMMARY OF CONCLUSIONS

A. Explanations of Rejections

1. Identification of Statutory Basis for Rejection

Over 95% of the rejections under 35 USC §§ 103 and 112, second paragraph (clarity), cited the statutory basis for the rejection. With respect to rejections under 35 USC

§ 102, 92% of the rejections cited the statutory basis. Hence, no significant improvement is needed in specifying the statutory basis of a rejection based on 35 USC §§ 102, 103 or 112, second paragraph.

With respect to rejections under 35 USC § 112, first paragraph, 14-19% of the rejections based on a non-enabling disclosure and 42% of the rejections based on new matter failed to cite the statutory basis. Hence, improvement is needed in specifying that a rejection, based on new matter or the lack of an enabling disclosure, is under 35 USC § 112, first paragraph.

2. Explanation of Rejections Based on Prior Art

Approximately two-thirds of the rejections reviewed failed to explain why the claimed invention would have been obvious in view of the applied prior art. Over 75% of the attorneys responding to the AIPLA survey perceived rejections under 35 USC § 103 as lacking an explanation of why the claimed invention would have been obvious. Moreover, 70 comments from attorneys (the highest for any topic) were critical of the explanations of rejections under 35 USC § 103. Hence, significant improvement is needed to assure that rejections based on prior art appropriately communicate the rationale for such rejections.

3. Explanation of Rejections Under 35 USC § 112, First Paragraph, Non-Enabling Disclosure

Nineteen percent of all the non-enabling disclosure rejections reviewed failed to give reasons in support of the rejection. Hence, improvement is needed in explaining why a disclosure is non-enabling.

4. Explanation of Rejections Under 35 USC § 112, First Paragraph, New Matter

With respect to rejections based on new matter, 35% of the rejections reviewed failed to point out the language considered to be new matter, and 40% of these rejections did not give a reason why the language was considered new matter. Hence, significant improvements are needed in pointing out the language that is considered to be new matter, and explaining why the new matter is not supported by the disclosure as originally filed.

5. Explanation of Rejections Under 35 USC § 112, Second Paragraph

Approximately 90% of the rejections reviewed pointed out the claim language considered unclear. Thus, no significant improvement is needed in pointing out *what* claim language is considered unclear in rejections under the second paragraph of § 112.

Twenty-three percent of the non-final rejections reviewed failed to explain why the language was considered unclear. In final actions, 8% of the rejections failed to explain why the language was considered unclear. Hence, improvement is needed in explaining *why* the claim language is considered unclear in rejections under the second paragraph of § 112.

6. Alternative Rejections Under 35 USC §§ 102/103

Three percent of the actions reviewed contained alternative rejections under 35 USC §§ 102, 103. Ten percent of the examiners' answers reviewed contained similar rejections. The number of alternative rejections under either § 102 or § 103 was sufficiently low so that no further action is required.

B. Final Rejection Practice

1. Timely Development of Issues in Examiner and Attorney Communications

The perception surveys indicate that examiner actions and attorney responses leading up to final rejection do not adequately develop the issues. The objective Applications Survey data indicate that 32% of examiners' non-final actions do not fully respond to all arguments raised by the applicant. Improvement is needed by both examiners and attorneys in fully developing the issues prior to final.

Final rejections were found to treat all claims, but were deficient in answering all arguments presented by the applicant and in treating affidavits and declarations submitted to overcome rejections. Improvement is needed in responding to all issues raised during the prosecution when making a final rejection.

2. Appropriateness of Final Rejection

Thirteen percent of the final actions surveyed were considered premature. However, 91% of the final rejections reviewed were considered to be reasonable. Thirty-nine percent of the attorneys responding to the AIPLA survey perceived final actions as proper only occasionally or rarely.

Though examiners appear to be doing an acceptable job in making reasonable and proper final rejections, some improvement is needed. However, attorney perception is substantially lower than the factual findings. This may be due to a desire by attorneys for a more liberal after final procedure rather than improper examiner application of the current procedure.

3. Advisory Actions

Advisory actions were found to be mailed in a timely manner.

Thirty-three percent of the amendments filed after final were improperly refused entry. Only 46% of the attorneys responding to the AIPLA survey perceived that reasons given by examiners for the non-entry of amendments after final were clear almost always or most of the time. Moreover, only 50% of these attorneys perceived their response to final rejections to have been given full consideration.

In only 39% of the instances when an amendment to existing claims was entered after final did the advisory action clearly specify the grounds of rejection applicable to the amended claims.

Hence, significant improvements are needed in assuring that amendments after final:

- a. are not arbitrarily refused entry,
- b. are given sufficient consideration, and
- c. communicate the ground of rejection for any claim amended after the final rejection.

C. Information Disclosure Statements

1. Frequency and Timeliness of Submissions

Information disclosure statements are submitted either as statements in the specification or as separate papers in approximately 60% of the applications. Eighty-two percent of the statements are submitted prior to the first action. However, 47% are filed more than three months from the filing date. In 1978, just after 37 CFR § 1.56 was amended, only 21% of the statements were filed more than three months after the filing date. Twelve percent of applications on appeal had statements filed after the final rejection. Two percent of the statements are filed after the application has been allowed.

Only 11% of the statements filed more than three months after the filing date contained an explanation for the delay.

Hence, significant improvements are needed for assuring that information disclosure statements are filed in a timely manner, and with an explanation for the delay when filed late.

2. Submission Includes Explanation of Relevancy of Documents

The explanation of the relevance of the art is substantially below standard whether the citation is incorporated in the specification or is in a separate paper. Hence, significant improvement is needed in assuring that explanations of the relevance of documents cited in information disclosure statements are provided.

3. Copy of Documents Supplied

Copies of cited documents, regardless of type, are not provided in approximately 60% of cases when statements are incorporated into the specification. Even when

eliminating those statements citing only U.S. patent documents, the Applications Survey still shows a 25% level of noncompliance for specification-incorporated statements. There is a need for improvement in supplying copies of documents cited in specification-incorporated statements.

4. Translation of Foreign Documents Provided

Either a translation or a statement that a translation is not readily available is generally not provided when the citation is incorporated in the specification. While compliance with the standard is better when the citation is in a separate paper, compliance is still poor. Improvement is needed.

5. Form PTO-1449 or Equivalent

Since the use of PTO form 1449 is not mandatory, this section merely reports the degree to which the form is voluntarily used and is thus informational only. Form PTO-1449 is used in about 70% of disclosure statement submissions when the submission is in a separate paper. The form is used in about 25% of the disclosure statements incorporated in the specification.

6. Miscellaneous

Examiners considered art submitted prior to first action in 93% of cases reviewed. Improvement is needed to insure 100% compliance.

While the survey results indicate a perception by examiners that related compending applications are not being fully disclosed, no objective survey data was recorded on this topic. Since attorneys are only required to cite related applications that are *material*, the survey question does not measure perceived performance against the current standard. No conclusions can be reached based upon the survey data.

D. Interviews

1. Interviews in General

The results of the AIPLA survey indicate that, of the attorneys responding to the survey,

- a. 75% perceived interviews as productive,
- b. 89% perceived interviews to be kept as scheduled,
- c. 68% perceived examiners to be adequately prepared, and
- d. 85% perceived the interview summary form to be completed adequately.

The results of the Examiners Survey indicate that, of the examiners responding to the survey,

- a. 53% perceived interviews as productive,
- b. 96% perceived interviews to be kept as scheduled,
- c. 88% perceived attorneys to be adequately prepared, and
- d. 67% perceived attorneys as making the substance of the interview of record.

The survey results indicate that attorneys perceive that examiners are willing to grant at least one interview if timely requested. No need for improvement would appear necessary. A substantial number of attorneys (approximately 30%) feel that examiners are only occasionally or rarely willing to discuss and attempt to resolve substantive issues at interviews. However, examiners often express the desire to reserve commitments until after an interview so that full consideration of all points could be made. It cannot be concluded from the survey data whether examiners could be making more substantive commitments at interviews. No need for improvement is indicated. Some improvement is needed by attorneys in ensuring that an adequate written record of the substance of all interviews is provided.

2. Telephone Restriction

As a general policy, the examiner should telephone the attorney of record and request an oral election when

making a restriction requirement. In 62% of the restriction requirements reviewed, the policy was followed. However, the telephone is not required to be used when examiners know that an election will not be made by phone. The number of instances of the remaining 38% where no restriction was made for this reason was not determined. Hence, while it appears that some improvement is needed, the degree of need for improvement cannot be determined without further study.

E. Responses by Applicant

1. Responses under 37 CFR § 1.111

Approximately 90% of the responses reviewed were technically fully responsive to Office actions. However, the percentage of responses that explained why the claimed invention would have been unobvious in view of the prior art was significantly lower. Moreover, some of the comments from examiners indicate that they feel responses often argue references individually rather than address the combination of references set forth in the prior Office action. At least part of this may be due to the lack of an examiner explanation in rejections how references are used and combined.

Hence, no significant improvement is needed in assuring that responses under § 1.111 great all objections and rejections. However, significant improvement is needed in assuring that responses include an explanation of why it would have been unobvious to combine or modify the references in the manner suggested by the examiner.

2. Responses Under 37 CFR § 1.116

Only 16% of the amendments filed after a final rejection that were reviewed presented a showing of good and sufficient reasons why they were necessary and why they were not presented earlier. Moreover, 48% of the examiners and SPEs responding to the Examiners Survey perceived that attorneys generally do not start serious prosecution or make substantial amendments until after the final rejection.

Hence, significant improvement is needed in assuring that responses under § 1.116 explain why an amendment was not presented earlier.

3. Appeal Briefs—Responses to Rejections

Ninety-four percent of the briefs reviewed contained an explanation why the examiner's modification of the references would have been unobvious. Hence, no significant improvement is needed in assuring that briefs adequately communicate why the examiner's rejection is considered improper.

4. Affidavits/Declarations Submitted to Overcome Rejections

Approximately 20% of affidavits/declarations are not filed in a timely manner. Hence, improvement is needed in assuring that affidavits/declarations are submitted in a timely manner.

Examiner perception of the sufficiency of affidavits to either establish proper "nexus" when asserting commercial success or to present evidence to substantiate an allegation of "secondary considerations" was very low, indicating a need for at least some attorney improvement.

F. Completeness of the Record

1. Reasons for Allowance

In 22% of the applications reviewed, the reason for allowance was not clear from the record. Moreover, only 50% of the attorneys responding to the AIPSA Survey perceived the reason for allowance made of record by the examiner, as clearly establishing why the claims were allowed. Hence, significant improvement is needed in assuring that the record clearly explain why the claims were allowed.

2. Recordation of Searches

Eighty-five percent of the applications surveyed had search boxes properly filled out by the examiner. Ap-

proximately 45% of the applications, wherein an automated search was made, were lacking information about the automated search. Hence, improvements are needed in assuring that the search data are recorded in a complete and accurate manner.

3. Foreign Priority Data Verified

The priority/PCT data appearing on the face of the file wrapper were not verified in 23% of the applications reviewed. Hence, a significant improvement is needed in assuring that the priority/PCT data appearing on the file jacket are verified.

G. Compact Prosecution

1. Adequacy of Applications Prior to First Action

Applications should be devoid of obvious informalities. Significant improvement is needed in foreign origin applications since 70% of the examiners surveyed perceived foreign applications as containing substantial formal deficiencies almost always or most of the time. However, only 16% of the examiners perceived U.S. origin applications as containing substantial formal deficiencies.

The disclosure should be readily understandable and the claims should clearly define the invention to enable the examiner to conduct an adequate search. Improvement is needed in foreign origin applications since 20% of the examiners surveyed perceive such applications as lacking an adequate disclosure to permit examination almost always or most of the time. However, 97% of these examiners perceive U.S. origin applications as containing an adequate disclosure.

Claims should be presented that range from the broadest to the most detailed that applicant is willing to accept. Substantial improvement is needed in this area since the Applications Survey shows that only approximately 60% of the applications surveyed contained such a range of claims.

2. Searches

The first search should cover the invention as described and claimed. Substantial improvement is needed in conducting a more thorough search at the time of the first action since 50% of the applications surveyed revealed newly applied art in subsequent actions that should have been applied in a previous action.

A search should be made in the issuing class/subclass. Improvement is needed in this area because 11% of the allowed applications reviewed did not indicate that the issuing class/subclass was searched.

3. Indication of Allowable Subject Matter

Examiners should communicate certain aspects or features of applicant's invention that if properly claimed would receive favorable consideration. Significant improvement is needed in this area since only 59% of the applications that were deemed appropriate for an indication of allowable subject matter had such an indication.

H. Appeal Practice

1. Appellant's Brief—Format

Ninety-five percent of the briefs reviewed contained a concise explanation of the invention. However, only 46% of the explanations contained a reference back to the drawings and/or specification. Hence, a significant improvement is needed in assuring that appellant's explanation of the invention refers to the drawing and/or specification. Ninety-five percent of the briefs reviewed contained a copy of the claims. Hence, no significant improvement is needed in assuring that appellants provide a copy of the claims on appeal.

In addition, formal matters that are not currently required in briefs were found to be included in the surveyed briefs to the following extent,

- a. 27% of the briefs included a separate summary of the issues on appeal,

- b. 53% of the briefs included a citation of the references as well as an explanation of each reference,
- c. 7% of the briefs included a reference back to the drawings or specification in the copy of the claims presented in the brief; however, 58% of the examiners surveyed thought that an appeal brief would be more useful if the claims on appeal were read on the drawings or specification, and
- d. 2% of the briefs pointed out an exemplary claim; however 60% of the examiners surveyed thought that an appeal brief would be more useful if appellant is required to state whether all the claims on appeal stand or fall together.

The formal requirements of the brief should be reviewed to determine if these additional requirements would improve the manner in which issues on appeal and evidence in support thereof are set forth in the brief.

2. Examiner's Answer—Format

Ninety percent of the answers surveyed identified the status of all the claims in the applications. One hundred percent of the answers cited all the references relied upon in the appeal and pointed out any deficiencies in the copy of the claims provided by appellant. Hence, no significant improvements are needed in the format of the examiners' answers, as measured against the formal requirements for examiner's answers.

In addition, formal matters that are not currently required in examiner's answers were found to be included in the surveyed answers to the following extent,

- a. 15% of the answers included a summary of the issues on appeal,
- b. 40% of the answers included an explanation of the invention, and
- c. 28% of the answers included an explanation of the references.

The formal requirements of the examiner's answer should be reviewed to determine if these additional requirements would improve the manner in which issues on appeal and evidence in support thereof are set forth in the examiner's answer.

3. Examiner's Answer—Completeness

Seventy-two percent of the answers reviewed responded to every significant argument raised in the briefs. Hence, a significant improvement is needed in assuring that examiners' answers respond to every significant argument/issue raised by appellants.

4. Post Examiner's Answer Practice

The Appeals Survey shows that a substantial number of reply briefs are merely noted with no further comment by the examiner. The findings are inconclusive regarding the propriety of the reply briefs or whether reply briefs are being treated properly by examiners.

I. Allowance After Appeal Brief

Thirty-nine percent of applications allowed after an appeal brief had been filed were found to have no change in appellant's position. Hence, significant improvement is needed in assuring that applications are allowed at the earliest appropriate stage of prosecution.

J. Processing Times

1. 16 Mailing of Office Actions

Substantial improvement in mailing Office actions earlier than one month from the day when the examiners are given credit for the Office action has been accomplished since the inception of the Quality Reinforcement Program.

2. Mailing of Notices of Allowance

Substantial improvement in assuring that Notices of Allowances are mailed promptly has been accomplished

since the inception of the Quality Reinforcement Program.

3. Responses to Amendments After Final

Substantial improvement in mailing responses to amendments after final has been accomplished since the inception of the Quality Reinforcement Program.

Perceptions

In addition to reaching conclusions on the current level of performance of each target practice, the program determined the opinions of patent examiners and representatives of applicants on various topics involved in the examination process. A summary of their perceptions is presented below.

Examiner legal proficiency was perceived by attorneys to be in definite need of improvement.

Examiner technical competency, care in doing the job, and neatness of attire were perceived by attorneys as more positive than negative, but in need of improvement.

Clerical competency and care in doing the job were perceived by attorneys to be in definite need of improvement.

Clerical functions including neatness of attire, cooperativeness, courteousness and availability were perceived as being more positive than negative, but with substantial room for improvement.

Attorney handling of foreign origin applications was perceived by examiners to be deficient in preparation of the case for examination. Attorney practices including continued prosecution after final, interview practice, submission of information disclosure statements and explanation of reasons for disagreement with § 103 rejections were also of concern to examiners.

[1078 OG 22]

(97) Report on Results of an Oct. 1985—Feb. 1986 Survey on the Citation by Applicants of Information Disclosure Statements in Patent Applications

This report summarizes the data compiled from a sample of 1200 allowed utility applications surveyed in the Office of Quality Review during the period of Oct. 1, 1985 to Feb. 14, 1986.

For purposes of the survey, a "citation", whether appearing in the specification or in a separate paper, is defined as either (1) a listing of patents or publications together with a concise explanation of the relevance of each listed item (i.e. an "information disclosure statement" under 37 CFR 1.98(a)), or (2) a "mere listing" of patents or publications. In addition, a "reference", or "document", is defined as any patent or other publication cited by applicant.

This survey report is similar to and presented in the same general format as the survey reports published in the *Official Gazette* of Nov. 23, 1976, pages 1356 and 1357, of Sept. 26, 1978, pages 22 and 23, and of Aug. 12, 1980, pages 8 and 9. It should be noted, however, that the phrase "prior art statement" used throughout the three previous survey reports has been replaced by the more appropriate phrase "information disclosure statement" reflecting the current terminology of 37 CFR 1.97-1.99 as amended.

This survey indicates, among other things, that 60% of the sampled applications include citations by applicants. This is somewhat less than the 63% finding in the survey reported in the 1980 O.G. and the 64% finding in the 1978 survey but still represents an improvement over the 54% finding in the 1976 survey. In addition, more citations are being submitted later in the prosecution than previously. The percentage of applications having citations submitted in separate papers has increased while the percentage of applications having such papers submitted within three months of the filing of an application is down from 79% in 1978 and 73% in 1979 to 53% presently. Also, while the percentage of applications having citations accompanied by copies of references cited has increased, overall compliance with Office guidelines has decreased.

A separate, recent informal review of citations made after allowance similarly indicated frequent noncompliance with the guidelines of Section 609 of the Manual of Patent Examining Procedure. Often, citations were in the form of prior art search reports made by foreign patent offices many months or years earlier, submitted without copies of the references, discussion of

materiality, or any explanation for the late submission. The Office is presently considering action to remedy these problems

The statistics are otherwise presented without comment as follows:

	Chem.	Elec.	Mech.	Total
(1) Number of applications in sample	350	415	435	1200
(Percent of total sample)	29%	35%	36%	100%
Number of applications having citations submitted in:				
(2) Separate papers only	69	82	82	233
(Percent of sample 2/1)	20%	20%	19%	19%
(3) Both separate paper <i>and</i> in specification	41	60	44	145
(Percent of sample 3/1)	12%	14%	10%	12%
(4) The specification only	12	94	121	336
(Percent of sample 4/1)	35%	23%	28%	28%
(5) Total number of applications having citations	231	236	247	714
(Percent of sample 5/1)	66%	57%	57%	60%

Application in which the applicant submitted citations in the *specification*.

	Chem.	Elec.	Mech.	Total
(6) Number of applications including citations in the specification	162	154	165	481
(Percent of applications having citations in the specification 6/1)	46%	37%	38%	40%
(7) Number of applications including mere listing of references in the specification	12	6	17	35
(Percent of applications having mere listing of references in the specification 7/1)	3%	1%	4%	3%
(8) Number of applications including information disclosure statements in the specification	150	148	148	446
(Percent of applications having disclosure statements in the specification 8/1)	43%	36%	34%	37%
(9) Number of applications including information disclosure statements in the specification which included copies of the references	67	55	65	187
(Percent of applications, with disclosure statements in the specification, having copies of the references 9/8)	45%	37%	44%	42%
(10) Number of applications including information disclosure statements in the specification which comply fully with the guidelines (37 CFR 1.97-1.99; MPEP § 609) (e.g. timely filed, translations where applicable, etc.)	46	45	40	131
(Percent of applications, with disclosure statements in the specification, which fully comply with CFR and MPEP 10/8)	31%	30%	27%	29%
(11) Number of applications including information disclosure statements citing non-English documents in the specification	60	36	31	127
(Percent of applications, with disclosure statements in the specification, citing non-English documents 11/8)	40%	24%	21%	28%

Applications in which applicant submitted citations in *separate papers*.

	Chem.	Elec.	Mech.	Total
(12) Number of applications including citations in a separate paper	110	142	126	378
(Percent of applications having citations in separate papers 12/1)	31%	34%	29%	32%
(13) Number of applications including separate paper citations submitted within 3 months of the filing date of the application	48	88	65	201

	(Percent of separate paper citations submitted within 3 months 13/12).....	43%	62%	52%	53%
(14)	Number of applications including separate paper citations which include a copy(s) of the reference(s)	103	134	114	351
	(Percent of separate paper citations including copy(s) of the reference(s)	94%	94%	90%	93%
(15)	Number of applications including separate paper citations which cited a non-English document	47	53	43	143
	(Percent of separate paper citations citing non-English documents	43%	37%	34%	38%
(16)	Number of applications including separate papers with information disclosure statements	88	100	81	269
	(Percent of separate paper citations having disclosure statements	80%	70%	64%	71%
(17)	Number of applications including separate paper citations which fully comply with the guidelines (37 CFR 1.97-1.99; MPEP § 609)	31	58	37	126
	(Percent of separate paper citations which fully comply with CFR and MPEP 17/12)	28%	41%	29%	33%

Applications in which applicant submitted *more than ten* citations.

		Chem.	Elec.	Mech.	Total
(18)	Number of applications having more than ten citations	32	25	22	79
	(Percent of applications having more than ten citations.....	9%	6%	5%	7%

Aug. 15, 1986.

DONALD J. QUIGG,
*Commissioner of Patents
and Trademarks.*

[1040 OG 24]

(98) **Express Abandonments**

Experience over the past several months has indicated the need to clarify and re-emphasize existing practice regarding express abandonments submitted under 37 CFR 1.138.

Since 1966, when Rule 138 was revised, it is no longer required that the applicant and the assignee of record, if any, sign an express abandonment. The revised rule indicates that a patent application may be expressly abandoned by an attorney or agent of record. Therefore, prior to signing a declaration of express abandonment of a patent application, it is imperative that the attorney or agent of record exercise every precaution in ascertaining that the abandonment of the application is in accordance with the desires and best interests of the applicant. Moreover, special care should be taken to insure that the appropriate application from a group of related applications is correctly identified in the letter of abandonment.

A declaration of abandonment signed by the applicant or his attorney or agent of record becomes effective when an appropriate official of the Office takes action in recognition of the declaration. When so recognized, the date of abandonment may be the date of recognition or a different date if so specified in the declaration itself. For example, where a continuing application is filed with a request to abandon the prior application as of the filing date accorded the continuing application, the date of the abandonment of the prior application will be in accordance with the request once it is recognized.

Action in recognition of an express abandonment may take the form of an acknowledgement by the examiner or the Patent Issue Division of the receipt of the express abandonment, indicating that it is in compliance with 37 CFR 1.138 (see Section 711.01 MPEP). Alternatively, recognition may be no more than the transfer of drawings to a new application pursuant to instructions which include a request to abandon the application containing the drawings to be transferred (see 37 CFR 1.60 and Section 608.02(i) MPEP).

It is suggested that divisional applications being submitted under 37 CFR 1.60 be reviewed before filing to ascertain whether the prior application should be abandoned. Recent experience reveals that some divisional applications are being filed under 37 CFR 1.60 with requests to transfer the drawings from, and abandon, the prior application. Following the recognition of the abandonment, the attorney or agent signing the request informs the Office that the request was made by mistake for any one of a number of reasons. Care should be exercised in situations such as these as the Office looks on express abandonments as acts of deliberation, intentionally performed.

Another common situation involves the submission of an express abandonment following the allowance of an application. The express abandonment may not be recognized unless it is actually received by appropriate officials in time to act before the date of issue. In those cases, once a patent number and issue date have been assigned to the application, it is considered too late to act on the express abandonment unless a petition under Rule 313(b) or Rule 183 is granted (see Section 711.01 of MPEP).

APR. 7, 1975.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

[934 O.G. 2]

(99) **Notice of Abandonment for Failure to Prosecute Application**

Effective immediately the Patent Examining Corps will mail a communication, concerning all applications becoming abandoned in the Corps for failure to prosecute, to the correspondence address of record.

The communication to be mailed will merely comprise a copy of the first page of the Office action, to which applicant failed

to properly respond, the copy including stamped language thereon indicating that the application has become abandoned and the date that the copy was mailed. The language stamped on the copy will be as follows: APPLICATION HAS BECOME ABANDONED.THISNOTICEMAILED:

In no case will the mere failure to receive a notice of abandonment affect the status of an abandoned application.

This new procedure should enable applicants to take appropriate and diligent action to reinstate an application inadvertently abandoned for failure to timely respond to an official communication. In most cases, a petition to revive under 37 CFR 1.137 will be the appropriate remedy. It may be that a response to the Office action was mailed to the Office with a certificate of mailing declaration as a part thereof (notice of October 26, 1976: 951 O.G. 1342) but was office. In this instance, adequate relief may be available by means of a petition to withdraw the holding of abandonment.

In any instance, if action is not taken promptly after receiving the notice of abandonment, appropriate relief may not be granted.

If a lack of diligent action is predicated on the contention that neither the Office action nor the notice of abandonment was received, one may presume that there is a problem with the correspondence address of record. Accordingly, your attention is directed to recent notices of May 28, 1975, and September 9, 1976, dealing with changes of address (935 O.G. 1352 and 951 O.G. 454). In essence, it is imperative that a paper notifying the Office of a change of address be filed promptly in each application in which the correspondence address is to be changed.

If an application is abandoned or a patent lapsed for an excessive time a terminal disclaimer may be required. A terminal disclaimer may also be required where the holding of abandonment or lapse is withdrawn but a determination is made that action attempting to correct the problem should have been taken in a more diligent manner.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

May 9, 1977.

[959 O.G. 24]

(100) **Requirement for a Response Under
37 CFR 1.136 and 1.137 Where a
Continuing Application is Being Filed.**

This notice is intended to clarify the requirements for a response as required by 37 CFR 1.136 or 1.137 in situations involving a petition for extension of time or a petition to revive an abandoned application for the purpose of filing a continuing application.

In those instances where an extension of time or a revival of an abandoned application is sought solely for the purpose of filing a continuing application under 35 U.S.C. 120 and where the prior application is to be abandoned in favor of the continuing application, the filing of a response as required by 37 CFR 1.111, 1.113, 1.192 or other regulation is considered to be an unnecessary expenditure of resources by the applicant. Accordingly, in these situations, the Patent and Trademark Office will accept the filing of a continuing application as a response under 37 CFR 1.136 or 1.137.

To facilitate processing by the Office, any such petition for extension of time or petition to revive should specifically refer to the filing of a continuing application and also include an express abandonment of the prior application conditioned upon the granting of the petition and the granting of a filing date to the continuing application.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

May 13, 1983.

[1031 OG 11]

(101) **Petitions Under 37 CFR 1.183 to Waive
the One Year Time Period Requirement in 37
CFR 1.137(b), 1.155(c) and 1.316(c)**

Petitions to revive an unintentionally abandoned application (37 CFR 1.137(b)) or to accept an unintentionally late paid issue fee (37 CFR 1.155(c) or 1.316(c)) must be filed within one year of the date on which the application became abandoned. In the last sentence of the above-noted subsections of 37 CFR, the Commissioner of Patents and Trademarks has indicated that petitions under 37 CFR 1.183 to waive any time period requirements for filing a request pursuant to these subsections will not be considered, but will be returned to the applicant. However, it has become apparent that under certain very limited conditions, the interests of the patent system would be better served by considering such petitions.

These very limited conditions arise when an application becomes abandoned due to an action or inaction by applicant and the Patent and Trademark Office performs a positive, documented and Official act* (e.g., by issuing an Official document) which could lead a reasonable individual to conclude that the action or inaction was appropriate. If this conclusion is a contributing factor in the applicant's failure to realize the true, abandoned status of his application in time to file a petition under one of the above-noted subsections, then conditions exist under which a § 1.183 petition will be considered.

For example, if an applicant files papers for a continuing application under 37 CFR 1.60 or 1.62 on a date when the parent application is abandoned (e.g., the applicant neglected to obtain an extension of time in the parent application), the requirements of these regulations are not satisfied and the papers should not be processed into an application. However, if in spite of this error the Office issues a filing receipt for the continuing application, a reasonable individual could conclude that the continuing application had been properly filed on a date when the parent application was pending. Further, if the lack of copendency between the parent and the continuing applications is not discovered until after one year from the date on which the parent application became abandoned, the opportunity to obtain copendency by reviving the parent application under 37 CFR 1.137(b) is lost. As an additional example, if an applicant submits a check for payment of the issue fee and the payment is improper (e.g., the check is not timely submitted or is returned to the Office unpaid due to insufficient funds), the application should be held abandoned. However, if in spite of the improper issue fee payment the Office issues the application as a patent, a reasonable individual could conclude that the issue fee payment had been proper. Further, if the improper issue fee payment is not discovered until after one year from the date on which the application became abandoned, the opportunity to request acceptance of a late paid issue fee under 37 CFR 1.155(c) or 1.316(c) is lost.

The abandonment problems described in the above-noted examples are clearly attributed to an error on the part of the applicant. Nevertheless, such a problem could be aggravated when the Office performs a positive, documented and Official act* which, in the circumstances recounted above, may be a contributing factor in the loss of an opportunity to rectify this problem by filing a petition under one of the above-noted subsections. In light of these factors, the Commissioner will exercise his authority under 37 CFR 1.183 to waive the one year period requirement for filing a petition pursuant to 37 CFR 1.137(b), 1.155(c) or 1.316(c) providing the following strictly limited conditions are present:

- (1) The applicant's action or inaction which caused the application to become abandoned was clearly an unintentional oversight which resulted from a bona fide attempt, as evidenced by Patent and Trademark Office records, to comply with patent statutes, rules and procedures in order to keep the application pending as desired; and
- (2) The Office performed a positive, documented and Official act* which could lead a reasonable individual to conclude that the action or inaction was proper and this conclusion was a contributing factor in the applicant's failure to realize the true abandoned status of his application in time to file a petition under one of the above-noted subsections; and
- (3) A petition under 37 CFR 1.183 and one of the above-noted subsections is filed within three (3) months of the date applicant is notified by the Office or otherwise

becomes aware of the abandoned status of the application; and

- (4) The petition is accompanied by a terminal disclaimer with fee under 37 CFR 1.321 dedicating to the public a terminal part, equivalent to the period of abandonment, of the term of any patent granted on the application or on any application entitled to the benefit of the filing date of the application under 35 USC 120.

For a transitional period of three (3) months from the date of this Notice, the requirement for filing a petition within three (3) months of the date referred to in condition (3), above, will not be enforced providing:

- (a) the abandoned application could have been restored to pending status if a petition under one of the above-noted subsections had been timely filed; and
- (b) the applicant made a bona fide attempt, as evidenced by Patent and Trademark Office records, to restore the abandoned application to pending status within three months of the date applicant was notified by the Office or otherwise became aware of the abandoned status of the application.

Applicants should note that this is intended to be a very limited extension of the Commissioner's discretion in exercising his authority to waive the one year period required under the above-mentioned subsections. For this reason, the above-noted conditions and provisions will be strictly adhered to and any petition under § 1.183 which fails to comply with these conditions or provisions will be denied.

***NOTE: THE FAILURE OF THE PATENT AND TRADEMARK OFFICE TO SEND AN OFFICIAL COMMUNICATION (E.G., A NOTICE OF ABANDONMENT) IS NOT CONSIDERED TO BE A POSITIVE, DOCUMENTED AND OFFICIAL ACT WITHIN THE MEANING OF THIS NOTICE.**

JAMES E. DENNY,
Deputy Assistant,
Commissioner for Patents

Aug. 26, 1985.

[1059 OG 4]

(102) **Petitions to Revive Patent Applications
Waiver of Provisions of 37 CFR § 1.137(b)**

Effective immediately, the Commissioner is suspending under 37 CFR § 1.183 that portion of 37 CFR § 1.137(b) which precludes revival of an application unintentionally abandoned for failure to timely submit a filing fee and/or an oath or declaration. 35 U.S.C. § 111; 37 CFR § 1.53(d).

Upon a review of the plain meaning of 35 U.S.C. §§ 41(a)7, 111, 133, and 151, it is concluded that § 41(a)7 does not preclude reviving a patent application unintentionally abandoned for failure to timely submit a filing fee and/or an oath or declaration pursuant to a request by the Patent and Trademark Office (Office) under 35 U.S.C. § 111 and 37 CFR § 1.53(d). Accordingly, the Office will now act on the merits of petitions to revive applications which became abandoned for failure to timely submit an appropriate filing fee and/or an oath or declaration by the applicant.

Appropriate revisions will be made to 37 CFR 1.137(b) and the Manual of Patent Examining Procedure in due course.

Nov. 5, 1990

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1121 O.G. 6]

(103) **Diligence in Filing Petitions to Revive
and Petitions to Withdraw
the Holding of Abandonment**

Once an application becomes inadvertently abandoned, it is incumbent on applicant to act with diligence in providing the response necessary to continue prosecution. Petitions to revive or to withdraw the holding of abandonment must be filed promptly after applicant is notified or otherwise becomes aware of the abandonment. Unless and until the Commissioner accepts applicant's response as sufficient and complete to revive the application or to withdraw the holding of abandonment, the application remains abandoned and the burden continues to rest with applicant to exercise diligence.

Some practitioners have demonstrated a lack of diligence in filing or renewing a petition to revive or a petition to withdraw the holding of abandonment. This appears to have been a conscious decision on the practitioners' part based on the belief that any delay in filing or renewing a petition could be cured by filing a terminal disclaimer equivalent to the period of delay in prosecuting the application. While the Office does have a policy of requiring a terminal disclaimer in those situations where there has been a delay of more than six months in filing a grantable petition to revive an application that has become abandoned [37 CFR 1.137(c), 1.316(d) and 1.317(c)], the terminal disclaimer has never been authorized or set forth in the rules as a substitute for diligence. Indeed, such an interpretation would be contrary to the traditional concept of reasonable diligence and is contrary to the explicit requirement of 37 CFR 1.137(a), 1.155(b), 1.181(f), 1.316(b) and 1.137(b) that a petition to revive be filed promptly. See *In re Application of Takao*, 17 USPQ2d 1155 (Comm'r. 1990).

JAMES E. DENNY
Assistant Commissioner for
Patents-designate

[1124 OG 23]

(104)

Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 920670-2170]
RIN 0651-AA57

**Changes in Procedures for Revival of Patent
Applications and Reinstatement of Patents**

Agency: Patent and Trademark Office, Commerce

Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office (Office) is proposing to amend the rules of practice in patent cases to: (1) modify the petition requirements for reviving abandoned applications; (2) extend the provisions for revival under the unintentional standards to applications abandoned under § 1.53(d); (3) modify the requirements for a petition to accept late payment of a maintenance fee filed more than six months after expiration of a patent; (4) modify the requirements for a petition to accept unavoidably delayed payment of a maintenance fee; and (5) provide for reinstatement of a patent where the delay in timely payment of a maintenance fee was unintentional, in the event that proposed statutory changes are enacted.

Dates: Written comments must be received on or before Nov. 13, 1992, to ensure consideration. An oral hearing will not be conducted.

Addresses: Address written comments to the Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231, marked to the attention of Abraham Hershkovitz. Comments may be sent by fax to the attention of Abraham Hershkovitz at (703) 305-8825.

For Further Information Contact: Abraham Hershkovitz by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: Current regulations provide for revival of patent applications which were abandoned for failure to timely prosecute or failure to timely pay an issue fee under the unavoidable standard. In certain situations, patent applications can also be revived under the unintentional standard. A petition to revive under the unavoidable standard is subject to a requirement that the petition be filed promptly after the applicant is notified of, or otherwise becomes aware of, the abandonment.

Under the unavoidable standard, any petition filed more than six months after the date of abandonment of the application must be accompanied by a terminal disclaimer disclaiming the period of abandonment. Promptness is not a requirement for petitions filed under the unintentional standard. The proposed change would encourage promptness in filing petitions to revive under the unintentional standard by requiring the filing of a terminal disclaimer when the period of abandonment exceeds six months. The Office calculates the period of abandonment as being the number of months from the date of abandonment until the date of filing of a grantable petition. The proposed change would require that, in a manner similar to the current practice under the unavoidable standard, a grantable petition under the unintentional standard would have to be filed within six months of the date of abandonment, or the requirement for a terminal disclaimer would have to be satisfied. As an example, a petition to revive, under the unavoidable or the unintentional standard, filed within two months from the date of abandonment, if grantable, would not require a terminal disclaimer. However, if the petition to revive is dismissed for a deficiency such as insufficient showing (for petitions under the unavoidable standard), or lack of a statement (for petitions under the unintentional standard), or lack of a sufficient petition fee, or lack of a proposed response, and a renewed petition to revive providing the lacking item is timely filed, but is filed more than six months after the date of abandonment, then a terminal disclaimer would be required.

Section 41 of title 35, United States Code, establishes fees that the Commissioner shall charge for patent-related matters. A bill to amend title 35 with respect to the late payment of maintenance fees has been introduced on June 4, 1992, in the House of Representatives as H.R. 5328 (hereafter, Bill). The Bill proposes to:

(1) amend 35 U.S.C. § 41(c)(1) to permit reinstatement of a patent which expired unintentionally for failure to timely pay the maintenance fee, provided that the payment is made within eighteen months after the six-month grace period specified in 35 U.S.C. § 41(b); and

(2) amend 35 U.S.C. § 41(a)(7) to require a petition fee for an unintentionally delayed payment for maintaining a patent in force.

The unintentional standard is not currently available for applications abandoned under § 1.53(d) (specifically excluded in § 1.137(b)) and patents expired for failure to pay a maintenance fee. The proposed changes (some of which hinge on enactment of the Bill) would expand the applicability of the unintentional standard to applications abandoned under § 1.53(d) and patents expired for failure to pay a maintenance fee.

In order to expedite implementation of the proposed legislative changes, the proposed amendments to the rules of practice include proposals contingent upon enactment of the Bill. These changes are found in §§ 1.17(m), 1.378(a) and 1.378(c).

If the Bill is not enacted, the proposed changes to §§ 1.17(m), 1.378(a) and 1.378(c) will not include the changes proposed in the Bill regarding acceptance of late payment of maintenance fees, where the delay in payment was unintentional.

Discussion of Specific Sections to be changed or added:

(1) Patent application processing fees. (§ 1.17)

Paragraph 1.17(1) is proposed to be amended to provide for petition fees for reinstating a patent under the unavoidable standard in a manner similar to the fees charged for reviving an abandoned application or accepting delayed payment of an issue fee. In the event that the Bill is enacted, paragraph 1.17(m) is proposed to be amended to require a petition fee for reinstating a patent under the unintentional standard in a manner similar to the fee charged for reviving an abandoned application or for accepting delayed payment of the issue fee. These changes are proposed to ensure consistency with the proposed changes in § 1.378.

(2) Unavoidable or unintentional abandonment of an application

Sections 1.137, 1.155, 1.316 and 1.317 each provide for petitions to the Commissioner for relief from failure to timely

comply with a requirement of the Office. Section 1.137 provides for petitions to revive patent applications abandoned for failure to prosecute where the delay in prosecution was unavoidable (§ 1.137(a)) or the delay was unintentional (§ 1.137(b)). Section 1.155 provides for petitions for acceptance of late payment of issue fees in applications for design patents as though no abandonment had ever occurred where the delay in payment was unavoidable (§ 1.155(b)) or unintentional (§ 1.155(c)). Section 1.316 provides for petitions for acceptance of late payment of issue fees in applications for patent as though no abandonment had ever occurred where the delay in payment was unavoidable (§ 1.316(b)) or unintentional (§ 1.316(c)). Section 1.317 provides for acceptance of late payment of the balance of issue fees in patents as though no lapse had ever occurred where the delay in payment was unavoidable (§ 1.317(b)) or unintentional (§ 1.317(c)).

In order to obtain relief under the unavoidable standard in the above-noted sections, the regulations require the filing of a terminal disclaimer if the petition is filed more than six months after the date of abandonment. See §§ 1.137(c), 1.155(d), 1.316(d) and 1.317(d). The terminal period to be disclaimed is a period equivalent to the period of abandonment. The period of abandonment is considered to be the number of months lapsed from the date of abandonment until the date of filing of a grantable petition.

Petitions filed under the unintentional standard in the above-noted sections have no express promptness requirement, nor a terminal disclaimer requirement. This has led, in many cases, to a practice contrary to the intent of the unintentional provisions. Applicants have often delayed filing a petition under the unintentional standard until close to the expiration of the one-year period. In other instances, applicants delayed filing a petition under the unintentional standard because they miscalculated the one-year period and this resulted in the applicant being unable to show that the delay was unavoidable or that relief was available under the unintentional standard. *In re Application of S*, 8 USPQ2d 1630 (Comm'r pat. 1988).

The proposed change to require terminal disclaimers for petitions under the unintentional standard filed more than six months after the date of abandonment will help to ensure that petitions are filed promptly after discovery of abandonment. The same degree of promptness is required regardless of whether the petitions are filed under the unavoidable or the unintentional standards. The requirement for a terminal disclaimer should not be viewed as a substitute for the requirement of prompt filing of a petition. See *In re Application of Takao*, 17 USPQ2d 1155 (Comm'r Pat. 1990); "Diligence in Filing Petitions to Revive and Petitions to Withdraw the Holding of Abandonment", 1124 *Off. Gaz. Pat. Office* 33 (March 19, 1991).

Sections 1.137(c), 1.155(d) and 1.316(d) are proposed to be amended to reflect the current practice that a terminal disclaimer filed for the purpose of reviving an application also applies to a patent granted on any continuing application entitled to the benefit of the filing date of the subject application under 35 U.S.C. 120.

Applicants may petition under the provisions of § 1.183 for a waiver of the requirement that a period equivalent to the period of abandonment be disclaimed if it can be shown that an extraordinary situation exists in which justice requires waiver of this requirement.

In situations where petitions under the above-noted sections were not grantable because of insufficient evidence submitted or petitioner's failure to comply with certain requirements, the Office dismissed those petitions with an indication as to the missing items and warned petitioners that if reconsideration was desired a renewed petition supplying the omissions had to be filed promptly. While the promptness requirement was not precisely defined, § 1.181(f) requires the filing of petitions within two months from an action complained of in order to avoid possible dismissal of the petition on the grounds that it was not timely filed. It is proposed that the above-noted sections be amended to specify a two-month period or such time as may be set in the dismissal as being the appropriate deadline for requesting reconsideration. In those situations where petitioners require more time to gather additional evidence or items needed for reconsideration, an extension of time of up to four months may be obtained under the provisions of § 1.136(a). The filing of a renewed petition within the period specified in the decision

or within the extended period permitted under § 1.136 will satisfy the promptness requirement of petitions under the unavoidable standard. Upon failure to timely file a renewed petition under the unavoidable standard, the Office will require a showing of unavoidable delay for the entire period of abandonment. Upon failure to timely file a renewed petition under the unintentional standard, petitioner may be subject to a loss of the right to proceed under the unintentional standard if more than one year lapsed between the date of abandonment and the date the renewed petition is filed.

The unintentional provisions specified in § 1.137(b) will apply to applications abandoned under § 1.53(d). Effective November 5, 1990, the Commissioner waived, under § 1.183, the exception specified in § 1.137(b) as to applicability of petitions under the unintentional standards to applications abandoned under § 1.53(d). See "Petitions to Revive Patent Applications Waiver of Provisions of 37 CFR § 1.137(b)", 1121 *Off. Gaz. Pat. Office* at 6 (December 4, 1990). The proposed change in § 1.137(b) will incorporate this new practice into the regulations.

The Office adopted a policy wherein, under certain strictly limited conditions, the one-year period for requesting revival of an unintentionally abandoned application could be waived. Accordingly, the prohibition against requests for waiver found in §§ 1.137(b), 1.155(c), 1.316(c) and 1.317(c) is proposed to be deleted. See "Petitions Under 37 CFR 1.183 to Waive the One Year Time Period Requirement in 37 CFR 1.137(b), 1.155(c) and 1.316(c)" at 1059 *Off. Gaz. Pat. Office* 4 (October 1, 1985). However, applicants are cautioned that waiver of the one-year deadline under the unintentional standard will continue to be subject to strictly limited conditions.

(3) Issue and term of design patents (§ 1.155)

Section 1.155 is proposed to be amended to be consistent with the proposed changes to § 1.137. Paragraph (b) of § 1.155 is further proposed to be modified to correct a typographical error. In the reference to fee section 1.17(1), the letter (l) should have appeared instead of the numeral (1).

(4) Application abandoned for failure to pay issue fee (§ 1.316)

Section 1.316 is proposed to be amended to be consistent with the proposed changes to § 1.137. Paragraph (b) of § 1.316 is further proposed to be modified to correct a typographical error. In the reference to fee section 1.17(1), the letter (l) should have appeared instead of the numeral (1).

(5) Lapse patents; delayed payment of balance of issue fee (§ 1.317)

Section 1.317 contains a provision regarding issue fees paid prior to October 1, 1982. Prior to that date, the Office charged an initial base issue fee and, depending on the size of the specification and drawings printed, billed applicants for a balance of issue fee due. Subsequent to October 1, 1982, all applicants were required to pay the same issue fee regardless of the size of the specification and drawings. Reference to the date in § 1.317 may be deleted at this point in time since it is no longer relevant to pending applications. However, practice under this section continues to be relevant when a fee change becomes effective before payment is received.

In order to satisfy the requirement of 35 U.S.C. 151, the Office mails out a Notice of Allowance which specifies the sum of the issue fee due. When the issue fee amount is changed, the sum specified on the Notice of Allowance is at times different from that required at the time payment is actually received in the Office. If applicants submit issue fee payments in the amount specified on the Notice of Allowance after the effective date of a fee increase, then a balance of issue fee is due. The Office will accept payment of the amount specified on the Notice of Allowance and process the application into a patent. In accordance with 35 U.S.C. 151 and 37 CFR 1.317, a notice is sent to applicants requesting payment of the balance of the issue fee due (the difference between the fee due at time of receipt of payment in the Office and the fee specified on the Notice of Allowance) and setting a three-month period for payment. See *In re Mills*, 12 USPQ2d 1847 (Comm'r Pat. 1989). Failure to pay the balance of the issue fee within the specified three-month period will result

in lapse of the patent. Therefore, the reference to October 1, 1982, in § 1.317 is proposed to be replaced by language specifying the consequences of failure to pay the issue fee due at the time payment is made.

Other amendments are proposed to make § 1.317 consistent with the proposed changes in § 1.137. Paragraph (b) of § 1.317 is further proposed to be modified to correct a typographical error. In the reference to fee section 1.17(1), the letter (l) should have appeared instead of the numeral (1).

(6) Delayed payment of maintenance fee (§ 1.378)

Petitions to accept delayed payment of a maintenance fee in an expired patent require a showing of unavoidable delay. In the case of petitions filed more than six months after expiration of a patent, § 1.378(c) further requires a showing that the failure to timely pay the maintenance fee was beyond the control of the patentee. The Office has determined that the "beyond the control" standard does not find adequate support in the relevant statute (35 U.S.C. 41(c)) or in the legislative history of Public Law 97-247. See "Acceptance of Delayed Payment of Maintenance Fees in Expired Patents", 1115 *Off. Gaz. Pat. Office* 18 (June 12, 1990).

Furthermore, the practice of accepting late payment of maintenance fees is proposed to be modified to be more analogous to the practice of reviving abandoned applications and accepting late payment of issue fees. Additionally, the public interest is best served by prompt reinstatement of a patent in which there was an unavoidable or unintentional delay in the timely payment of the maintenance fee.

The requirements for a petition to accept late payment of a maintenance fee, where the delay was unavoidable, are outlined in paragraph (b) of § 1.378. In addition to the maintenance fee and surcharge previously required, paragraph (b) is proposed to be amended to require a petition fee and prompt filing of a petition after the patentee is notified, or otherwise becomes aware, of the expiration of the patent.

The Bill, if enacted, would amend subsection 41(c)(1) of title 35, United States Code, to permit the Commissioner to accept late payment of any maintenance fee filed within eighteen months after the six-month grace period, or within such shorter time as fixed by the Commissioner, if the delay in payment is shown to the satisfaction of the Commissioner to have been unintentional. In order to implement the legislation proposed in the Bill, if enacted, paragraph (c) of § 1.378 is proposed to be modified to permit the filing of a petition to accept late payment of a maintenance fee, where the delay in payment was unintentional.

It is in the public's interest to know as soon as possible if an expired patent will be reinstated. Accordingly, paragraph (c) of § 1.378 is proposed to be amended to permit reinstatement of an unintentionally expired patent, provided that the petition is filed within six months of the end of the grace period specified at 35 U.S.C. 41(b), or within two months of the date patentee became aware of the expiration of the patent, but not later than eighteen months after the grace period.

In addition to the timeliness deadlines set forth in the preceding paragraph, it is proposed that a petition filed under the unintentional standard of § 1.378(c) would have to include the petition fee set forth in § 1.17(m)(3), the required maintenance fee set forth in § 1.20 (e) through (g), the surcharge for an expired patent as set forth in § 1.20(i) and a statement that the delay in timely payment of the maintenance fee was unintentional.

For a transitional period of two months from the date of enactment of the Bill, the requirement, specified in proposed § 1.378(c)(5), that any petition, be filed within six months of the end of the grace period, or within two months of the date patentee became aware of the expiration of the patent, will be waived, sua sponte, pursuant to § 1.183 to allow consideration of any petition filed within eighteen months of the end of the grace period.

If the Bill is not enacted, the proposed changes to §§ 1.17, 1.378(a) and 1.378(c) will not include the changes proposed in the Bill relative to acceptance of late payment of maintenance fees under the unintentional standard.

Other Considerations

The proposed rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these proposed changes is to incorporate existing Office policy into the regulations and to provide a more efficient procedure to revive abandoned applications.

The Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individuals; industries; Federal, state or local government agencies; or geographic regions because most of the proposed changes reduce procedural burdens. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These proposed rule changes contain a collection of information requirements subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, which has previously been approved by the Office of Management and Budget under Control No. 0651-0011.

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. § 6, the Office proposes to amend 37 CFR Part 1 as follows, wherein deletions are indicated by brackets ([]) and additions by arrows (► ◄):

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.17 is proposed to be amended by revising paragraphs (1) and (m) to read as follows:

§ 1.17 Patent application processing fees.

(1) For filing a petition:

1) For [the] revival of an unavoidably abandoned application under 35 U.S.C. sections 111, 133, 364, or 371, or

2) For ► the unavoidably ◄ delayed payment of the issue fee under 35 U.S.C. 151 ►, or

(3) For the unavoidably delayed payment of the maintenance fee under 35 U.S.C. 41(c)(1) ◄:

By a small entity (§ 1.9(f)) \$55.00

By other than a small entity \$110.00

(m) For filing a petition:

(1) For revival of an unintentionally abandoned application, or

(2) For the unintentionally delayed payment of the fee for issuing a patent ►, or

(3) For the unintentionally delayed payment of the fee for maintaining a patent ◄:

By a small entity (§ 1.9(f)) \$585.00

By other than a small entity \$1,170.00

3. Section 1.137 is proposed to be amended by revising paragraphs (a)-(c) and adding paragraphs (d) and (e) to read as follows:

§ 1.137 Revival of abandoned application.

(a) An application abandoned for failure to prosecute may be revived as a pending application if it is shown to the satisfaction of the Commissioner that the delay was unavoidable. A petition to revive an abandoned application must be promptly filed after the applicant is notified of, or otherwise becomes aware of, the abandonment, and must be accompanied by ►:

(1) a proposed response to continue prosecution of that application, or the filing of a continuing application, unless either has been previously filed;

(2) the petition fee as set forth in § 1.17(1); and

(3) a showing that the delay was unavoidable. ◄ [a showing of the causes of the delay, by the proposed response unless it has been previously filed, and by the petition fee set forth in § 1.17(1). Such] ► The ◄ showing must be a verified showing if made by a person not registered to practice before the Patent and Trademark Office.

(b) An application unintentionally abandoned for failure to prosecute [, except pursuant to § 1.53(d),] may be revived as a pending application if the delay was unintentional. [A petition to revive an unintentionally abandoned application must be filed within one year of the date on which the application became abandoned or be filed within three months of the date of the first decision on a petition to revive under paragraph (a) of this section which was filed within one year of the date of abandonment of the application.] A petition to revive an unintentionally abandoned application must be [accompanied by]:

(1) ► accompanied by a proposed response to continue prosecution of that application, or the filing of a continuing application, unless either has been previously filed;

(2) accompanied by the petition fee as set forth in § 1.17(m);

(3) accompanied by a statement that the abandonment was unintentional. ◄ [A statement that the abandonment was unintentional; (2) A proposed response unless it has been previously filed; and (3) a petition fee as set forth in § 1.17(m). Such] ► The ◄ statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The Commissioner may require additional information where there is a question whether the abandonment was unintentional ►; and

(4) filed:

(i) within one year of the date on which the application became abandoned; or

(ii) within three months of the date of the first decision on a petition to revive under paragraph (a) of this section which was filed within one year of the date on which the application became abandoned. ◄

[The three month period set forth in this paragraph may be extended under the provisions of § 1.136(a), but no further extensions under § 1.136(b) will be granted. Petitions to the Commissioner under § 1.183 to waive any time periods for requesting revival of an unintentionally abandoned application will not be considered, but will be returned to the applicant.]

(c) Any petition pursuant to [paragraph] ► paragraphs ◄ (a) ► or (b) ◄ of this section not filed within six months of the date of abandonment ► of the application, ◄ must be accompanied by a terminal disclaimer with fee under § 1.321 dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of abandonment of the application. ► The terminal disclaimer must also apply to any patent granted on any continuing application entitled under 35 U.S.C. § 120 to the benefit of the filing date of the application for which revival is sought.

(d) Any request for reconsideration or review of a decision refusing to revive an application upon petition filed pursuant to paragraphs (a) or (b) of this section, to be considered timely, must be filed within two months of the decision refusing to revive or within such time as set in the decision.

(e) The time periods set forth in this section cannot be extended, except that the three-month period set forth in paragraph (b)(4)(ii) and the time period set forth in paragraph (d) of this section may be extended under the provisions of § 1.136. ◄

4. Section 1.155 is proposed to be amended by revising paragraphs (b)-(d) and adding paragraphs (e) and (f) to read as follows:

§1.155 Issue and term of design patents.

(b) The Commissioner may accept the payment of the issue fee later than three months after the mailing of the notice of allowance as though no abandonment had ever occurred if upon petition the delay in payment is shown to have been unavoidable. The petition to accept the delayed payment must be promptly filed after the applicant is notified of, or otherwise becomes aware of, the abandonment, and must be accompanied by:

- (1) the issue fee, unless it has been previously submitted [.]
- (2) the fee for delayed payment [(§ 1.17(1)),] (§ 1.17(1)); and

(3) a showing that the delay was unavoidable. [Such] The showing must be a verified showing if made by a person not registered to practice before the Patent and Trademark Office.

(c) The Commissioner may, upon petition, accept the payment of the issue fee later than three months after the mailing of the notice of allowance as though no abandonment had ever occurred if the delay in payment was unintentional. [The petition to accept the delayed payment must be filed within one year of the date on which the application became abandoned or be filed within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date of abandonment of the application.] The petition to accept the delayed payment must be [accompanied by]:

- (1) accompanied by the issue fee, unless it has been previously submitted [.]

- (2) accompanied by the fee for unintentionally delayed payment (§ 1.17(m)) [.] and

(3) accompanied by a statement that the delay was unintentional. [Such] The statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The Commissioner may require additional information where there is a question whether the abandonment was unintentional; and

- (4) filed:

(i) within one year of the date on which the application became abandoned; or

(ii) within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date on which the application became abandoned.

[The three-month period from the date of the first decision referred to in this paragraph may be extended under the provisions of § 1.136(a), but no further extensions under § 1.136(b) will be granted. Petitions to the Commissioner under § 1.183 to waive any time periods for requesting revival of an unintentionally abandoned application will not be considered, but will be returned to the applicant.]

(d) Any petition pursuant to [paragraph] paragraphs (b) or (c) of this section not filed within six months of the date of abandonment of the application, must be accompanied by a terminal disclaimer with fee under § 1.321 dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of abandonment of the application. The terminal disclaimer must also apply to any patent granted on any continuing application entitled under 35 U.S.C. § 120 to the benefit of the filing date of the application for which revival is sought.

(e) Any request for reconsideration or review of a decision refusing to accept the delayed payment upon petition filed pursuant to paragraphs (b) or (c) of this section, to be considered timely, must be filed within two months of the decision refusing to accept the delayed payment or within such time as set in the decision.

(f) The time periods set forth in this section cannot be extended, except that the three-month period set forth in paragraph (c)(4)(ii) and the time period set forth in paragraph (e) of this section may be extended under the provisions of § 1.136.

5. Section 1.316 is proposed to be amended by revising paragraphs (b)-(d) and adding paragraphs (e) and (f) to read as follows:

§ 1.316 Application abandoned for failure to pay issue fee.

(b) The Commissioner may accept the payment of the issue fee later than three months after the mailing of the notice of allowance as though no abandonment had ever occurred if upon petition the delay in payment is shown to have been unavoidable. The petition to accept the delayed payment must be promptly filed after the applicant is notified of, or otherwise becomes aware of, the abandonment, and must be accompanied by:

- (1) the issue fee, unless it has been previously submitted [.]
- (2) the fee for delayed payment [(§ 1.17(1)),] (§ 1.17(1)); and

(3) a showing that the delay was unavoidable. [Such] The showing must be a verified showing if made by a person not registered to practice before the Patent and Trademark Office.

(c) The Commissioner may, upon petition, accept the payment of the issue fee later than three months after the mailing of the notice of allowance as though no abandonment had ever occurred if the delay in payment was unintentional. [The petition to accept the delayed payment must be filed within one year of the date on which the application became abandoned or be filed within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date of abandonment of the application.] The petition to accept the delayed payment must be [accompanied by]:

- (1) accompanied by the issue fee, unless it has been previously submitted [.]

- (2) accompanied by the fee for unintentionally delayed payment (§ 1.17(m)) [.] and

(3) accompanied by a statement that the delay was unintentional. [Such] The statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The Commissioner may require additional information where there is a question whether the abandonment was unintentional; and

- (4) filed:

(i) within one year of the date on which the application became abandoned; or

(ii) within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date on which the application became abandoned.

[The three-month period from the date of the first decision referred to in this paragraph may be extended under the provisions of § 1.136(a), but no further extensions under § 1.136(b) will be granted. Petitions to the Commissioner under § 1.183 to waive any time periods for requesting revival of an unintentionally abandoned application will not be considered, but will be returned to the applicant.]

(d) Any petition pursuant to [paragraph] paragraphs (b) or (c) of this section not filed within six months of the date of abandonment of the application, must be accompanied by a terminal disclaimer with fee under § 1.321 dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of abandonment of the application. The terminal disclaimer must also apply to any patent granted on any continuing application entitled under 35 U.S.C. § 120 to the benefit of the filing date of the application for which revival is sought.

(e) Any request for reconsideration or review of a decision refusing to accept the delayed payment upon petition filed pursuant to paragraphs (b) or (c) of this section, to be considered timely, must be filed within two months of the decision refusing to accept the delayed payment or within such time as set in the decision.

(f) The time periods set forth in this section cannot be extended, except that the three-month period set forth in paragraph (c)(4)(ii) and the time period set forth in paragraph (e) of this section may be extended under the provisions of § 1.136.

6. Section 1.317 is proposed to be amended by revising paragraphs (a)-(d) and adding new paragraphs (e) and (f) to read as follows:

§1.317 Lapsed patents; delayed payment of balance of issue fee.

(a) If the issue fee [was] paid [prior to October 1, 1982] ▶ is the amount specified in the Notice of Allowance, but a higher amount is required at the time the issue fee is paid ◀, any remaining balance of the issue fee is to be paid within three months from the date of notice thereof and, if not paid, the patent will lapse at the termination of the three month period.

(b) The Commissioner may accept the payment of the remaining balance of the issue fee later than the three months after the mailing of the notice thereof as though no lapse had ever occurred if upon petition the delay in payment is shown to have been unavoidable. The petition to accept the delayed payment must be promptly filed after the applicant is notified of, or otherwise becomes aware of, the lapse, and must be accompanied by ▶: ◀

(1) the remaining balance of the issue fee, unless it has been previously submitted [.] ▶: ◀

(2) the fee for delayed payment [(§ 1.17(1))] ▶ (§ 1.17(l)); ◀ and

(3) a showing that the delay was unavoidable. [Such] ▶ The ◀ showing must be a verified showing if made by a person not registered to practice before the Patent and Trademark Office.

(c) The Commissioner may, upon petition, accept the payment of the remaining balance of the ▶ issue ◀ fee later than three months after the mailing of the notice thereof as though no lapse had ever occurred if the delay in payment was unintentional. [The petition to accept the delayed payment must be filed within one year of the date on which the patent lapsed or be filed within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date of the lapse of the patent.] The petition to accept the delayed payment must be [accompanied by] ▶: ◀

(1) ▶ accompanied by ◀ the remaining balance of the issue fee, unless it has been previously submitted [.] ▶: ◀

(2) ▶ accompanied by ◀ the fee for unintentionally delayed payment (§ 1.17(m)) [.] and ▶: ◀

(3) ▶ accompanied by ◀ a statement that the delay was unintentional. [Such] ▶ The ◀ statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The Commissioner may require additional information where there is a question whether the delay in payment was unintentional ▶; and

(4) filed:

(i) within one year of the date on which the patent lapsed; or

(ii) within three months of the date of the first decision on a petition under paragraph (b) of this section which was filed within one year of the date on which the patent lapsed ◀. [The three-month period from the date of the first decision referred to in this paragraph may be extended under the provisions of § 1.136(a), but no further extensions under § 1.136(b) will be granted. Petitions to the Commissioner under § 1.183 to waive any time periods for requesting acceptance of an unintentionally delayed payment will not be considered, but will be returned to the applicant.]

(d) Any petition pursuant to [paragraph] ▶ paragraphs ◀ (b) ▶ or (c) ◀ of this section not filed within six months of the date of lapse ▶ of the patent, ◀ must be accompanied by a terminal disclaimer with fee under § 1.321 dedicating to the public a terminal part of the term of the patent equivalent to the period of lapse of the patent.

▶ (e) Any request for reconsideration or review of a decision refusing to accept the delayed payment upon petition filed pursuant to paragraphs (b) or (c) of this section, to be considered timely, must be filed within two months of the decision refusing to accept the delayed payment or within such time as set in the decision.

(f) The time periods set forth in this section cannot be extended, except that the three-month period set forth in paragraph (c)(4)(ii) and the time period set forth in paragraph (e) of this section may be extended under the provisions of § 1.136. ◀

7. Section 1.378, paragraphs (a), (b), (c) and (e) are proposed to be revised to read as follows:

§ 1.37 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.

(a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable [and if the surcharge required by § 1.20(i) is paid as a condition of accepting payment of the maintenance fee] ▶ or unintentional ◀. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

(b) Any petition to accept [the] ▶ an unavoidably ◀ delayed payment of a maintenance fee filed under paragraph (a) of this section [within six months of the expiration of the patent] must include:

(1) ▶ The petition fee set forth in § 1.17(1)(3);

(2) ▶ The required maintenance fee set forth in § 1.20 (e)-(g);

[2] ▶ (3) ◀ The surcharge set forth in § 1.20(i); and

[3] ▶ (4) ◀ A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely ▶ and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent ◀. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee ▶ the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly ◀.

(c) Any petition to accept [the] ▶ an unintentionally ◀ delayed payment of a maintenance fee filed under paragraph (a) of this section [more than six months after the expiration of the patent] must [include] ▶ be ◀:

(1) ▶ accompanied by the petition fee set forth in § 1.17(m)(3);

(2) ▶ accompanied by the ◀ [The] required maintenance fee set forth in § 1.20 (e)-(g) [.] ▶: ◀

[2] ▶ (3) accompanied by the ◀ [The] surcharge set forth in § 1.20(i); and

(3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and the failure to timely pay the maintenance fee was due entirely to circumstances outside of the control of the patentee. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee and the circumstances which were outside of the control of the patentee and those acting on behalf of the patentee in paying the maintenance fee. The showing must be sufficient in scope and content to meet the heavy burden of proof required to show that a delay in payment of the maintenance fee of more than six months after expiration of the patent was unavoidable.]

▶ (4) accompanied by a statement that the delay was unintentional; and

(5) filed:

(i) within six months of the end of the grace period specified at 35 U.S.C. 41(b); or

(ii) within two months of the date patentee became aware of the expiration of the patent and within eighteen months of the end of the grace period. ◀

(d) ***

(e) Reconsideration of a decision refusing to accept a maintenance fee upon petition filed pursuant to paragraph (a) of this section may be obtained by filing a petition for reconsideration within two months of, or such other time as set in, the decision refusing to accept the delayed payment of the maintenance fee. Any such petition for reconsideration must be accompanied by the petition fee set forth in § 1.17(h). After decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner. If the delayed payment of the maintenance fee is not accepted, the maintenance fee and the surcharge set forth in § 1.20(i) will be refunded following the decision on the petition for reconsideration, or after the expiration of the time for filing such a petition for reconsideration, if none is filed. [The] ▶ Any petition ◀ fee [set forth in § 1.17(h) for filing the petition for reconsideration] ▶ under this section ◀ will not be refunded unless the refusal to accept and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

Sept. 8, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

**(105) Acceptance of Delayed Payment
Maintenance Fee in Expired Patents**

Pursuant to 37 CFR § 1.183, the Commissioner is suspending that portion of 37 CFR § 1.378(c)(3) requiring a showing of circumstances "entirely outside the control of the patentee and those acting on behalf of the patentee" in paying the maintenance fees pending a notice of proposed rulemaking. The requirement is being suspended in light of the decision in *In re Patent No. 4,429,775*, and because a credible argument can be made that the requirement is contrary to law.

The Commissioner will continue to look at the circumstances supporting unavoidable delay claims and diligent action by the patentee in petitioning for reinstatement. If any party believes a petition has been wrongly denied under 37 CFR § 1.378(c)(3), a renewed petition will be considered.

May 16, 1990

HARRY F. MANBECK, Jr.
*Commissioner of Patents
and Trademarks*

[1115 O.G. 18]

**(106) Procedure for Handling Amendments
under 37 CFR 1.116**

On Oct. 1, 1982, pursuant to Public Law 97-247, the Patent and Trademark Office discontinued the previous practice in patent applications of extending without fee the shortened statutory period for response to a final rejection upon the filing of a timely first response to a final rejection (37CFR 1.116). Since Oct. 1, 1982, applicants are able to obtain additional time for a first or subsequent response to a final rejection by petitioning and paying the appropriate fee under 37 CFR 1.136(a), provided the additional time does not exceed the six month statutory period.

In order to continue to encourage the early filing of any first response after a final rejection and to take care of any situations in which the examiner does not timely respond to a first response after final rejection which is filed early in the period for response, the Office is changing the manner in which the period for response is set on any rejection mailed after Feb. 27, 1983.

Under the changed procedure, if an applicant initially responds within two months from the date of mailing of any final rejection setting a three-month shortened statutory period for response and the Office does not mail an advisory action until after the end of the three-month shortened statutory period, the period for response for purposes of determining the amount of any extension fee will be the date on which the Office mails the advisory action advising applicant of the status of the application, but in no event can the period extend beyond six months from the date of the final rejection. This procedure will apply only to a first response to a final rejection and will be implemented by including the following language in each final rejection mailed after Feb. 27, 1983:

A shortened statutory period for response to this final action is set to expire three months from the date of this action. In the event a first response is filed within two months of the mailing date of this final action and the advisory action is not mailed until after the end of the three-month shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event will the statutory period for response expire later than six months from the date of this final action.

For example, if applicant initially responds within two months from the date of mailing of a final rejection and the examiner mails an advisory action before the end of three months from the date of mailing of the final rejection, the shortened statutory period will expire at the end of three months from the date of mailing of the final rejection. In such a case, any extension fee would then be calculated from the end of the three-month period. If the examiner, however, does not mail an advisory action until after the end of three months, the shortened statutory period will

expire on the date the examiner mails the advisory action and any extension fee may be calculated from that date.

Statutory periods set in Office actions mailed before Feb. 28, 1983, will not be effected by this change in procedure.

Jan. 14, 1983.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1027 OG 71]

**(107) Expedited Procedure for Processing
Amendments and Other Responses After Final
Rejection (37 CFR 1.116)**

In an effort to improve the timeliness of the processing of amendments and other responses under 37 CFR 1.116, and thereby provide better service to the public, the Patent and Trademark Office (PTO) is establishing, effective immediately, an expedited processing procedure which the public may utilize in filing amendments and other responses after final rejection under 37 CFR 1.116. In order for an applicant to take advantage of the expedited procedure the amendment or other response under 37 CFR 1.116 will have to be marked as a "Response Under 37 CFR 1.116—Expedited Procedure-Examining Group (Insert Examining Group Number)" on the upper right portion of the amendment or other response and the envelope must be marked "Box AF" in the lower left hand corner. The markings preferably should be written in a bright color with a felt point marker. If the response is mailed to the Office, the envelope should contain only responses under 37 CFR 1.116 and should be mailed to "Box AF, Commissioner of Patents and Trademarks, Washington, D.C. 20231." Instead of mailing the envelope to "Box AF" as noted above, the response may be hand-carried to the particular Examining Group or other area of the Office in which the application is pending and marked on the outside envelope "Response Under 37 CFR 1.116—Expedited Procedure-Examining Group (Insert Examining Group Number)".

Upon receipt by the PTO from the Postal Service of an envelope appropriately marked "Box AF," the envelope will be specially processed by the PTO Mail Room and forwarded promptly to the Examining Group, via the Office of Finance if any fees have to be charged or otherwise processed. Upon receipt of the response in the Examining Group it will be promptly processed by a designated clerical employee and forwarded to the examiner, via the Supervisory Primary Examiner (SPE), for action. The SPE is responsible for ensuring that prompt action on the response is taken by the examiner. If the examiner to which the application is assigned is not available and will not be available for an extended period, the SPE will ensure that action on the application is promptly taken to assure meeting the PTO goal described below. Once the examiner has completed his or her consideration of the response, the examiner's action will be promptly typed and mailed by clerical employees designated to expedite the processing of responses filed under this procedure. The Examining Group supervisory personnel, e.g., the Supervisory Primary Examiners, Supervisory Applications Clerk, and Group Director are responsible for ensuring that actions on responses filed under this procedure are promptly processed and mailed.

The PTO goal is to mail the examiner's action on the response within one month from the date on which the amendment or response is received by the PTO. The PTO is establishing monitoring procedures to determine how well the goal is being achieved. If the goal of mailing the action on the response within one month or less is not achieved in a high percentage of applications, e.g., at least 90-95% of appropriately marked responses, after a reasonable trial period, the PTO will institute further changes in procedures in the future which will give appropriate relief to applicants in cases where the delay is due to Office processing.

Applicants are encouraged to utilize this expedited procedure in order to facilitate PTO processing of responses under 37 CFR 1.116. If applicants do not utilize the procedure by appropriately marking the envelope and enclosed papers, the benefits expected

to be achieved therefrom will not be attained. The procedure cannot be expected to result in achievement of the goal in applications in which the delay results from actions by the applicant, e.g., delayed interviews, applicant's desire to file a further response, or a petition by applicant which requires a decision and delays action on the response. In any application in which a response under this procedure has been filed and no action by the examiner has been received within the time referred to herein, plus normal mailing time, a telephone call to the SPE of the relevant Group Art Unit would be appropriate in order to permit the SPE to determine the cause for any delay. If the SPE is unavailable or if no satisfactory response is received, the Group Director of the Examining Group should be contacted.

Any comments on this expedited procedure during the trial period are invited and should be directed to the attention of Rene D. Tegtmeyer, Assistant Commissioner for Patents, U.S. Patent and Trademark Office, Washington, D.C. 20231.

DONALD J. QUIGG,
*Commissioner of Patents and
Trademarks —Designate.*

Sept. 20, 1985.

[1059 OG 19]

(108) New Procedures for Recordation of Interviews

This notice establishes within the Patent and Trademark Office additional general procedures for the recordation of interviews. Proposed procedures were published in the *Official Gazette* of June 28, 1977 (959 O.G. 36) for comment from interested members of the public by August 10, 1977. Fifteen written comments were received the majority of which were favorable to the proposed procedures. Careful consideration has been given to the comments and the procedures are being adopted with a few changes.

Under present practice it is the responsibility of the applicant or the attorney or agent to make the substance of an interview of record in the application file, unless the examiner indicates he or she will do so. It is the examiner's responsibility to see that such a record is made and to correct material inaccuracies which bear directly on the question of patentability as set forth in section 713.04 of the Manual of Patent Examining Procedure (MPEP). This practice is continued and further amplified as set forth below.

Recent surveys have indicated that the substance of many interviews has not been made of record or the text thereof is incomplete as to substantive matters. In some cases, the substance of an interview may be presented as arguments in a subsequent response filed by the applicant but without any indication that they had been presented at the interview. In order to help insure a better record of examiner-applicant interviews in application files, the following new procedures are adopted to become effective for interviews conducted on and after January 1, 1978. Appropriate changes will be made in the Manual of Patent Examining Procedure (MPEP).

Examiners will complete a two-sheet carbon interleaf Interview Summary Form for each interview held where a matter of substance has been discussed by checking the appropriate boxes and filling in the blanks in neat handwritten form. Discussions regarding only procedural matters, directed solely to restriction requirements (for which interview recordation is otherwise provided for in Section 812.01 of the MPEP), or pointing out typographical errors or unreadable script in Office actions or the like, are excluded from the interview recordation procedures below.

The Interview Summary Form shall be given an appropriate paper number, placed in the file and listed on the "Contents" list on the file wrapper. The docket and serial register cards will not be updated to reflect this interview. In a personal interview, the duplicate copy of the Form will be removed and given to the applicant (or attorney or agent) at the conclusion of the interview. In the case of a telephonic interview, the copy will be mailed to the applicant's correspondence address either with or prior to the next official communication. If additional correspondence from the examiner before an allowance is not likely or if other circumstances dictate, the Form will be mailed promptly

after the telephonic interview rather than with the next official communication. The original of the completed Form will be made of record and placed in the right hand flap of the file.

The Form provides for recordation of the following information:

- Serial Number of the application
- Name of applicant
- Name of examiner
- Date of interview
- Type of interview (personal or telephone)
- Name of participant(s) (applicant, attorney or agent, etc.)
- An indication whether or not an exhibit was shown or a demonstration conducted
- An identification of the claims discussed
- An identification of the specific prior art discussed
- An indication whether an agreement was reached and if so, a description of the general nature of the agreement (may be by attachment of a copy of amendments or claims agreed as being allowable). (Agreements as to allowability are tentative and do not restrict further action by the examiner to the contrary.)
- The signature of the examiner who conducted the interview
- Names of other Patent and Trademark Office personnel present.

The Form also contains a statement reminding the applicant of his responsibility to record the substance of the interview.

It is desirable that the examiner orally remind the applicant of his obligation to record the substance of the interview in each case unless both applicant and examiner agree that the examiner will record same. Where the examiner agrees to record the substance of the interview, or when it is adequately recorded on the Form or in an attachment to the Form, the examiner will check a box at the bottom of the Form informing the applicant that he need not supplement the Form by submitting a separate record of the substance of the interview.

It should be noted, however, that the Interview Summary Form will not be considered a complete and proper recordation of the interview unless it includes, or is supplemented by the applicant or the examiner to include, all of the applicable items required below concerning the substance of the interview:

The complete and proper recordation of the substance of any interview should include at least the following applicable items:

- 1) A brief description of the nature of any exhibit shown or any demonstration conducted.
- 2) an identification of the claims discussed.
- 3) an identification of specific prior art discussed.
- 4) an identification of the principal proposed amendments of a substantive nature discussed, unless these are already described on the Interview Summary Form completed by the examiner.
- 5) a brief identification of the general thrust of the principal arguments presented to the examiner. The identification of arguments need not be lengthy or elaborate. A verbatim or highly detailed description of the arguments is not required. The identification of the arguments is sufficient if the general nature or thrust of the principal arguments made to the examiner can be understood in the context of the application file. Of course, the applicant may desire to emphasize and fully describe those arguments which he feels were or might be persuasive to the examiner.
- 6) a general indication of any other pertinent matters discussed, and
- 7) if appropriate, the general results or outcome of the interview unless already described in the Interview Summary Form completed by the examiner.

Examiners are expected to carefully review the applicant's record of the substance of an interview. If the record is not complete or accurate, the examiner will take appropriate action as set forth in MPEP Section 713.04. If the record is complete and accurate, the examiner should place the indication "Interview record OK" on the paper recording the substance of the interview along with the date and the examiner's initials.

Aug. 30, 1977.

C. MARSHALL DANN,
*Commissioner of Patents
and Trademarks.*

(111)

Patent and Trademark Office
37 CFR Parts 1 and 10
[Docklet No. 910764-1306]
RIN: 0651-AA27

[962 O.G. 21]

Duty of Disclosure**(109) Viewing of Video Tapes During Interviews**

The Patent and Trademark Office has video tape equipment available in the facilities of the Patent Academy for viewing video tapes from applicants during interviews with patent examiners.

The video tape equipment may use VHS and UHS (3/4 inch tape) cassettes.

Attorneys or applicants wishing to show a video tape during an examiner interview must be able to demonstrate that the content of the video tape has a bearing on an outstanding issue in the application and its viewing will advance the prosecution of the application. Prior approval of viewing of a video tape during an interview must be granted by the SPE. Also, use of the room and equipment must be granted by the Training Manager to avoid any conflict with the Patent Academy.

Requests to use video tape viewing equipment for an interview should be made at least one week in advance to allow the Patent Academy staff sufficient time to ensure the availability and proper scheduling of both a room and equipment.

Interviews using Office video tape equipment will be held only in the Academy facilities located in One Crystal Park, Rm. 502. Attorneys or applicants should not contact the Patent Academy directly regarding availability and scheduling of video equipment. All scheduling of rooms and equipment should be done through and by the examiner conducting the interview.

RENE D. TEGTMEYER,
*Assistant Commissioner
for Patents.*

May 6, 1986.

[1067 OG 4]

(110) Extension of Time Limit

This notice is intended to clarify certain misunderstandings and indicates the treatment given to requests for an extension of time in a situation where applicant has been given a time limit to complete an otherwise incomplete but bona fide attempt to respond to the previous Office action and advance the case to final action.

According to 37 CFR 1.135(c) when the applicant has filed a response to an examiner's action but consideration of some matter or compliance with some requirement has been inadvertently omitted, an opportunity to explain and supply the omission may be given before the question of abandonment is considered. According to the M.P.E.P., Section 710.02(c), the examiner may give applicant one month or the remainder of the period for response, whichever is longer, to complete the response. Neither the regulation nor the M.P.E.P. indicate that this time can be extended.

Under the regulation, the missing matter or lack of compliance must be considered by the examiner as being "inadvertently omitted." Once an inadvertent omission is brought to the attention of the applicant, the question of inadvertence no longer exists. Therefore, any further time to complete the response would not be appropriate under 37 CFR 1.135(c). Accordingly, no extension of time will henceforth be granted in these situations.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

Nov. 28, 1977

[965 O.G. 14]

Agency: Patent and Trademark Office, Commerce

Action: Notice of final rulemaking.

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases to (1) clarify the duty of disclosure for information required to be submitted to the Office; (2) provide flexible time limits for submitting information disclosure statements including the requirement for a fee in certain cases; (3) eliminate consideration of duty of disclosure issues by the Office except in disciplinary and interference proceedings, and under other limited circumstances; and (4) eliminate the striking of patent applications which are improperly executed. The Office further is amending the Patent and Trademark Office Code of Professional Responsibility to define as misconduct a failure to comply with the rules on duty of disclosure. The rules as adopted strike a balance between the need of the Office to obtain and consider all known relevant information pertaining to patentability before a patent is granted and the desire to avoid or minimize unnecessary complications in the enforcement of patents.

Effective Date: March 16, 1992. These rules will be applicable to all applications and reexamination proceedings pending or filed after the effective date.

For Further Information Contact: By telephone Charles E. Van Horn (703-305-9054) or J. Michael Thesz (703-305-9384) or by mail addressed to Commissioner of Patents and Trademarks, Washington, D.C. 20231, and marked to the attention of Charles E. Van Horn (Crystal Park 2 - Room 919).

Supplementary Information: A notice of proposed rulemaking on duty of disclosure and practitioner misconduct published in the Federal Register at 54 FR 11334 (March 17, 1989), and in the Patent and Trademark Office *Official Gazette* at 1101 Off. Gaz. Pat. Off. 12 (April 4, 1989), was withdrawn. On August 6, 1991, the Office published in the *Federal Register* a notice of proposed rulemaking relating to duty of disclosure. 56 FR 37321. The notice was also published in the *Official Gazette*. 1129 Off. Gaz. Pat. Off. 52 (August 27, 1991). Sixty written comments were received in response to the notice of proposed rulemaking. A public hearing was held on October 8, 1991. Eleven individuals offered oral comments at the hearing. The sixty written comments and a copy of the transcript of the hearing are available for public inspection in the Office of the Assistant Commissioner for Patents, Room 919, Crystal Park II, 2121 Crystal Drive, Arlington, VA.

Familiarity with the notice of proposed rulemaking is assumed. Changes in the text of the rules published for comment in the notice of proposed rulemaking are discussed. Comments received in writing and at the public hearing in response to the notice of proposed rulemaking are discussed.

The rules as adopted shall take effect as to all applications and reexamination proceedings either pending or filed on or after the effective date of these rules. Thus, any information disclosure statement that is filed on or after that date must comply with the provisions of §§1.97 and 1.98 to be entitled to consideration.

Changes in Text: The final rules contain several changes to the text of the rules as proposed for comment. Those changes are discussed below.

Section 1.17(i)(1) has been changed from the proposed text to reflect the recent increase in the amount of the fee for filing a petition from \$120.00 to \$130.00.

Section 1.56(a) has been clarified to indicate that the duty of an individual to disclose information is based on the knowledge of that individual that the information is material to patentability. A sentence has been added to §1.56(a) to express the principle that the Office does not condone the granting of a patent on an application in connection with which fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct. In addition, §1.56(a) as proposed has been changed to indicate that if all information material to patentability of any claim issued in a patent is cited by the Office or submitted to the Office in the manner prescribed by §§1.97(b)-(d) and 1.98, the Office will consider as satisfied the

duty to disclose to the Office all information known to be material to patentability, as contrasted to the broader duty of candor and good faith. This rule does not attempt to define the spectrum of conduct that would lack the candor and good faith dealing with the Office which is expected of individuals who are associated with the filing or prosecution of a patent application.

In §1.56(b), the phrase "or being made of record" has been inserted to make it clear that information is not material to patentability within the meaning of §1.56 if it is cumulative to either information already of record in the application or contemporaneously being made of record by applicant. For example, there would be no benefit to the Office for applicant to submit to the Office 10 different documents having the same teaching simply because the information was not cumulative to the information already of record.

The term "creates" has been replaced by the term "establishes" in §1.56(b)(1). In addition, the definition of a prima facie case of unpatentability, as set out in the preamble of the notice of proposed rulemaking, has been incorporated into the rule itself. A prima facie case of unpatentability of a claim is established when the information compels a conclusion that the claim is unpatentable

- (1) under the preponderance of evidence, burden-of-proof standard,
- (2) giving each term in the claim its broadest reasonable construction consistent with the specification, and
- (3) before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

This prima facie standard conforms to the standard used by an examiner to determine whether a claim is prima facie unpatentable.

Section 1.56(b)(2) has been modified from the text of the proposed rule. The focus of this paragraph has been changed so that it now relates to information which either refutes, or is inconsistent with, a position that applicant takes in either

- (1) opposing an argument of unpatentability relied on by the Office, or
- (2) asserting an argument of patentability.

The change from the proposed rule makes clear that information is material when it either refutes, or is inconsistent with, a position taken by applicant before the Office.

Section 1.97(e) has been changed from the proposed text to make it clear that a certification could contain either of two statements. One statement is that each item of information in an information disclosure statement was cited in a search report from a patent office outside the U.S. not more than three months prior to the filing date of the statement. Under this certification, it would not matter whether any individual with a duty actually knew about any of the information cited before receiving the search report. In the alternative, the certification could state that no item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application or, to the knowledge of the person signing the certification after making reasonable inquiry, was known to any individual having a duty to disclose more than three months prior to the filing of the statement.

The changes to the text of §1.97(e) as proposed place the appropriate priority on getting relevant information to the Office promptly, with minimum burden to applicant. The text of the proposal has also been changed by adding the phrase "after making reasonable inquiry" to make it clear that the individual making the certification has a duty to make reasonable inquiry regarding the facts that are being certified. For example, if an inventor gave a publication to the practitioner prosecuting an application with the intent that it be cited to the Office, the practitioner should inquire as to when that inventor became aware of the publication before submitting a certification under §1.97(e)(ii) to the Office.

A new paragraph (h) has been added to the text of proposed §1.97. The purpose of new paragraph (h) is to ensure that no one could construe the mere filing of an information disclosure statement as an admission that the information cited in the statement is, or is considered to be, material to patentability as defined in §1.56(b). It is in the best interest of the Office and the public to permit and encourage individuals to cite information to the Office without fear of making an admission against interest.

In §1.98(a)(2)(iii), the wording has been changed to make it clear that the requirement to submit a copy of each item of information listed in an information disclosure statement does not apply to the citation of a U.S. patent application.

The requirement in proposed §1.98(a)(3) for a concise explanation of the relevance of each item of information has been substantially changed by limiting the requirement in two significant ways. First, as adopted, the requirement is limited to information that is not in the English language. Second, the explanation required is limited to the relevance as understood by the individual designated in §1.56(c) most knowledgeable about the content of the information at the time the information is submitted to the Office. Where the information listed is not in the English language, but was cited in a search report by a foreign patent office, the requirement for a concise explanation of relevance is satisfied by submitting an English language version of the search report.

In §1.98(d), the proposed text has been changed by adding the phrase "cited by or" to make it clear that legible copies of information listed in an information disclosure statement need not be submitted in a continuing application provided the information was either cited by or submitted to the Office in a prior application. A distinction between information cited by the Office or supplied by applicant to the Office serves no useful purpose in this situation.

The text of proposed §1.555 has been modified to limit the definition of information material to patentability in a reexamination proceeding to the types of information that an examiner could use in a reexamination proceeding to determine whether a claim was patentable, and to adopt other changes that parallel changes made in §1.56. Proposed §1.555(a) has been divided into two paragraphs. Paragraph (a), as adopted, substantially parallels the text of §1.56(a) as adopted. It indicates that the duty to disclose information to the Office in a reexamination proceeding is a part of the duty of candor and good faith that is owed to the Office by individuals transacting business with the Office. It further states one way that an individual may discharge the duty to disclose information material to patentability in a reexamination proceeding - i.e., by filing an information disclosure statement with the items listed in §1.98(a) as applied to individuals associated with the patent owner in a reexamination proceeding. Finally, the text of the rule has been changed to add a sentence that expresses the principle that a patent should not be granted on an application in connection with which fraud was practiced or attempted on the Office or there was any violation of the duty of disclosure through bad faith or intentional misconduct.

New paragraph (b) of §1.555 has been adopted to define information material to patentability in a reexamination proceeding. Much like the definition in §1.56(b), information is not material when it is cumulative to information of record or being made of record in the reexamination proceeding. Information is considered material when it satisfies either or both of the definitions in §1.555(b). Under §1.555(b)(1), information is material when it is a patent or printed publication that establishes, by itself or in combination with other patents or printed publications, a prima facie case of unpatentability of a claim. This definition is limited to patents or printed publications because a reexamination proceeding must be based on patents or printed publications. 35 U.S.C. 302.

The definition of a prima facie case of unpatentability of a claim pending in a reexamination proceeding has been provided in the rule. A prima facie case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the same principles that are applicable during ex parte examination of a patent application; namely

- (1) under the preponderance of evidence, burden-of-proof standard,
- (2) giving each term in the claim its broadest reasonable construction consistent with the specification, and
- (3) before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

Finally, the definition of information material to patentability in §1.555(b)(2) has been added to parallel the provision in §1.56(b)(2).

After reviewing the Office policy on whether to consider duty of disclosure and other inequitable conduct issues in interference proceedings under 35 U.S.C. 135(a), including comments from

the public directed to the statement in the notice of proposed rulemaking that the Office will not consider, evaluate, or decide fraud or other inequitable conduct issues during an interference proceeding, a new Office policy has been adopted. Effective October 24, 1991, fraud and inequitable conduct issues will be considered when properly raised inter partes in patent interference cases. 1132 Off. Gaz. Pat. Off. 33 (November 19, 1991). In addition, the Chairman of the Board of Patent Appeals and Interferences has issued a notice that provides guidance on how an issue of fraud or other inequitable conduct can be raised in an interference proceeding. 1133 Off. Gaz. Pat. Off. 21 (December 10, 1991).

Response to and Analysis of Comments: Sixty (60) written comments were received in response to the notice of proposed rulemaking. These comments, along with those made at the public hearing, have been analyzed. Some suggestions made in the comments have been adopted and others have been rejected. Responses to the comments follow.

Comment 1. Nine comments indicated that the Office should not amend §1.56 since it is presently in conformance to the materiality standard being applied by the Court of Appeals for the Federal Circuit. One comment questioned what practical value of the proposed rule would justify the burden of the change.

Reply: The amendment to §1.56 was proposed to address criticism concerning a perceived lack of certainty in the materiality standard. The rule as promulgated will provide greater clarity and hopefully minimize the burden of litigation on the question of inequitable conduct before the Office, while providing the Office with the information necessary for effective and efficient examination of patent applications.

Comment 2. One comment stated that the present rules should be maintained and strengthened since the public interest is hurt more by an unjustly issued patent than by an unjustly denied patent. Another comment disagreed and argued that an unjustly denied patent can do great harm to society.

Reply: The Office strives to issue valid patents. The Office has both an obligation not to unjustly issue patents and an obligation not to unjustly deny patents. Innovation and technological advancement are best served when an inventor is issued a patent with the scope of protection that is deserved. The rules as adopted serve to remind individuals associated with the preparation and prosecution of patent applications of their duty of candor and good faith in their dealings with the Office, and will aid the Office in receiving, in a timely manner, the information it needs to carry out effective and efficient examination of patent applications.

Comment 3. Two comments stated that the rule should not permit applicants to draft claims and a specification to avoid a prima facie case of obviousness over a reference and then to be able to withhold the reference from the examiner.

Reply: The comments reflect a correct reading of the rule in that information is not material unless it comes within the definition of §1.56(b)(1) or (2). If information is not material, there is no duty to disclose the information to the Office. The Office believes that most applicants will wish to submit the information, however, even though they may not be required to do so, to strengthen the patent and avoid the risks of an incorrect judgment on their part on materiality or that it may be held that there was an intent to deceive the Office.

Comment 4. One comment stated that promulgation of the proposed rule would result in a significant decrease in the quantity of art cited to the Office because there will be no duty to cite art relevant to a pending claim.

Reply: The Office does not anticipate any significant change in the quantity of information cited to the Office after promulgation of amended §1.56. Presumably, applicants will continue to submit information for consideration by the Office in applications rather than making and relying on their own determinations of materiality. An incentive remains to submit the information to the Office because it will result in a strengthened patent and will avoid later questions of materiality and intent to deceive. In addition, the new rules will actually facilitate the filing of information since the burden of submitting information to the Office has been reduced by eliminating, in most cases, the requirement for a concise statement of the relevance of each item of information listed in an information disclosure statement.

Comment 5. Several comments stated that an objective "but for" standard would be preferable to the proposed rule. The objective

"but for" standard would presumably consider information as a court does in an infringement proceeding with a clear and convincing, burden-of-proof standard, giving the terms in each claim a narrow construction where necessary to uphold validity.

Reply: The Office believes that amended §1.56 will provide a reasonable balance between the needs of applicants and of the Office. The suggested "but for" standard would not cause the Office to obtain the information it needs to evaluate patentability so that its decisions may be presumed correct by the courts. If the Office does not have needed information, meaningful examination of patent applications will take place for the first time in an infringement case before a district court. Courts will become increasingly less confident of the Office's product if they get the impression that practitioners and inventors can routinely withhold information from the Office, or that practitioners and inventors can make up their own minds about what is patentable. The Office should decide, in the first instance, what is patentable and any decision should be made with the best information available, including that known by the applicant. The Office notes that the House of Delegates of the American Bar Association twice, once in 1990 and again in 1991, refused to adopt a resolution favoring adoption of the "but for" standard.

Comment 6. One comment argued that proposed §1.56 does not relate to "the conduct of proceedings in the Patent and Trademark Office" (35 U.S.C. 6(a)) since the Office does not intend to reject applications as indicated by the cancellation of paragraphs (c) through (i) of current §1.56.

Reply: The amendment to §1.56 comes within the authority of the Commissioner for establishing regulations. *Norton v. Curtiss*, 433 F.2d 779, 167 USPQ 532 (CCPA 1970). The Office has reserved its inherent authority to reject an application under appropriate circumstances where fraud or other inequitable conduct has occurred. Also, the Office will consider fraud and inequitable conduct when properly raised in interference proceedings under 35 U.S.C. 135(a). The Office will also consider fraud and inequitable conduct in connection with attorney conduct under §10.23(c).

Comment 7. One comment stated that §1.56 should require only anticipatory art to be submitted during examination of an application, with a procedure such as reexamination being used after discovery in any litigation on the patent has revealed all available art.

Reply: An application is examined under all appropriate sections of Title 35, United States Code, and a presumption of validity attaches to a patent with regard to all aspects of patentability, including anticipation. 35 U.S.C. 282. Therefore, §1.56 should address more than just the submission of anticipatory information, including information relevant to patentability under 35 U.S.C. 103 and 35 U.S.C. 112.

Comment 8. One comment suggested that proposed §1.56 has some dangerous implications since courts are going to find violations of the duty of disclosure if §§1.97 and 1.98 are not complied with completely.

Reply: Section 1.56 provides that the duty of disclosure can be met by submitting information to the Office in the manner prescribed by §§1.97 and 1.98. Sections 1.97 and 1.98 are being amended so that information will be submitted to the Office in the manner and at the time which will facilitate consideration by the examiner. Applicants are provided certainty as to when information will be considered, and applicants will be informed when information is not considered. The Office does not believe that courts should, or will, find violations of the duty of disclosure because of unintentional non-compliance with §§1.97 and 1.98. If the non-compliance is intentional, however, the applicant will have assumed the risk that the failure to submit the information in a manner that will result in its being considered by the examiner may be held to be a violation.

Comment 9. Two comments stated that the Office should not delete the offense of attempted fraud from the §1.56. The comments stated that elimination of the reference to "gross negligence" in current §1.56 would be sufficient to protect the practitioner who delays submission of information with no intent to deceive the Office. One of the comments stated that the disciplinary rules alone are not sufficient to deter attempted fraud or inequitable conduct.

Reply: The language of §§1.56(a) and 1.555(a) has been modified to retain the provisions of prior §1.56(d) to indicate that the

Office does not condone fraud, attempted fraud, or violation of the duty of disclosure through bad faith or intentional misconduct.

Comment 10. One comment stated that the appropriate standards for the duty of candor are analogous to fiduciary law which requires the fiduciary to disclose not only known facts, but also facts which it should have known, i.e., a negligence standard. The comment argued that it was undesirable to measure duty of candor or fraud by a reduced measure of "intent" instead of an objective negligence standard since the Office is not bound by the U.S. Court of Appeals for the Federal Circuit decision in *Kingsdown Medical Consultants, Ltd. v. Hollister, Inc.*, 863 F.2d 867, 9 USPQ2d 1384 (Fed. Cir. 1988) (*en banc*), cert. denied, 490 U.S. 1067 (1989), and since the proposed standard is no more objective than alternative standards but is simply narrower and more certain. Another comment suggested that the Office should indicate that there is no intention to change the *Kingsdown* ruling.

Reply: Section 1.56 has been amended to present a clearer and more objective definition of what information the Office considers material to patentability. The rules do not define fraud or inequitable conduct which have elements both of materiality and of intent. The Office does not advocate any change to the *Kingsdown* ruling.

Comment 11. Two comments stated that the proposed modification of §1.56 would make submission of information to the Office an implied admission of the prima facie unpatentability of a claim. Several comments suggested that a sentence should be added to proposed §1.56 to specify that submission of information to the Office under this section shall not be deemed to be an admission or representation that the information is material to patentability.

Reply: The suggestions in the comments have been adopted by modifying §1.97 which deals with submission of information to the Office. Paragraph (h) of §1.97 now provides that the filing of an information disclosure statement shall not be considered to be an admission that the information cited in the statement is, or is to be considered to be, material to patentability as defined in §1.56.

Comment 12. One comment stated that the proposed §1.56 definition would be difficult to apply in litigation in which a different burden-of-proof standard is applied.

Reply: The definition of information material to patentability includes standards which are familiar to the Federal courts and which are capable of being handled like other issues.

Comment 13. One comment suggested that the last sentence of proposed §1.56(a), in which the Office encourages applicants to carefully examine prior art cited in foreign search reports and the closest known information, be removed from the rule and be placed in the preamble discussion so as to avoid the interpretation that the sentence creates a duty for applicants.

Reply: The suggestion is not adopted. The sentence does not create any new duty for applicants, but is placed in the text of the rule as helpful guidance to individuals who file and prosecute patent applications.

Comment 14. Three comments stated that the language of proposed §1.56(a) required revision to remove all statements or suggestions which might allow a court to consider a pending (i.e., unissued) claim for the purpose of determining whether the duty of disclosure requirement was met in view of the fact that the proposed rule was intended to indicate that there is no duty to disclose information which is material to a pending claim unless that claim ultimately issues in a patent. One comment argued that a court might interpret "the duty of candor and good faith" to be broader than the particular duty of disclosure specified in other portions of the proposed rule.

Reply: The language of §§1.56 and 1.555 has been modified to emphasize that there is a duty of candor and good faith which is broader than the duty to disclose material information. Section 1.56 further states that "no patent will be granted on an application in connection with which fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct."

Comment 15. One comment suggested that proposed §1.56(a) be modified to clarify that both information and its materiality must be known before there is a duty to disclose the information.

Reply: The Office considers the language of §1.56(a) to be sufficiently clear in referring to a "duty to disclose to the Office all information known to that individual to be material to patent-

ability as defined in this section." If information is known to be material, it inherently must be known. Likewise, if information is not known to an individual, there is no duty to disclose the information whether it is material or not.

Comment 16. One comment stated that it should be made clear that "known" is limited to contemporaneous knowledge since a practitioner may have known something ten years ago but may not remember it presently.

Reply: Section 1.56 states that each individual associated with the filing and prosecution of a patent application has a duty to disclose all information known to that individual to be material to patentability as defined in the section. Thus, the duty applies to contemporaneously or presently known information. The fact that information was known years ago does not mean that it was recognized that the information is material to the present application.

Comment 17. One comment suggested that proposed §1.56(a) be modified to state that the duty of disclosure ends when an application becomes abandoned or allowed.

Reply: Paragraph (a) of §1.56 states that the duty to disclose information exists until the application becomes abandoned. The duty to disclose information, however, does not end when an application becomes allowed but extends until a patent is granted on that application. The rules provide for information being considered after a notice of allowance is mailed and before the issue fee is paid (§1.97(d)) and for an application to be withdrawn from issue after the issue fee has been paid. An application may be withdrawn from issue because one or more claims are unpatentable (§1.313(b)(3)) or an application may be withdrawn from issue and abandoned so that information may be considered in a continuing application before a patent issues (§1.313(b)(5)).

Comment 18. Three comments stated that the first two sentences of proposed §1.56(a) should be deleted since rules should simply instruct practitioners what to do without discussion of why they should do it or the philosophy involved.

Reply: The suggestion has not been adopted since the sentences aid in the understanding of the rule and will provide those involved in enforcing patents with an indication of the policy on which the rule is based.

Comment 19. One comment stated that §§1.56(a)(2) and (c) should be modified to refer to "individuals substantively associated with" the filing or prosecution of the patent application.

Reply: The suggestion is not adopted since the proposed rule language is clear and the suggested modification would create a redundancy with the language of §1.56(c)(3). The individuals designated in §§1.56(c)(1) and (2) as being associated with the filing or prosecution of a patent application within the meaning of the section are inherently substantively involved in the preparation or prosecution of the application.

Comment 20. One comment stated that proposed §1.56(b) should be modified to clarify that information is not material if it is cumulative to information already of record in an application or to information concurrently being made of record.

Reply: The suggestion has been adopted by adding a reference to information being made of record with regard to cumulative information in §§1.56(b) and 1.555(b).

Comment 21. One comment stated that the preamble discussion (of §1.56(b)) should indicate that test results in situations such as tests involving biological systems may properly be submitted as averages rather than as individual test runs.

Reply: Whether test results can be submitted as averages rather than as individual test runs depends on whether doing so would provide to the Office the information needed to make a proper determination on patentability. If the actual results are provided, the examiner can make an independent determination on whether some rejection is appropriate. In some cases providing averages might be misleading, but in other cases providing averages might be appropriate.

Comment 22. One comment stated that the definition of materiality in proposed §1.56(b) imposes substantial new burdens on applicants who would be required to disclose failed experiments, papers published less than one year prior to filing and experimental public uses even if they clearly are refutable and will not affect patentability. One comment stated that the proposed rule would require applicants to incur added expense for affidavits and comparison tests. Five comments stated that the Office should not require applicants to present results from clearly invalid tests since this would be contrary to usual scientific

practice. One comment argued that information should not be required to be submitted if there was no doubt that it would not preclude patentability, e.g., where common ownership existed so that the exception of 35 U.S.C. 103, second paragraph, would apply.

Reply: The definition of materiality in §1.56 does not impose substantial new burdens on applicants, but is intended to provide the Office with the information it needs to make a proper and independent determination on patentability. It is the patent examiner who should make the determination after considering all the facts involved in the particular case. The comments reflect that the Office objective of clarifying what information the Office considers to be material has been accomplished by the amendment of the rules.

Comment 23. One comment suggested that §1.56 should confine the duty of disclosure to references known to applicant or the practitioner representing applicant and not found in prior art materials in the Office.

Reply: This suggestion is not adopted since information may be in the Office but not in the application file. It is not reasonable to assume that an examiner knows of a particular item of information or appreciates its relevance to a particular invention simply because it exists somewhere in the Office.

Comment 24. One comment stated that the language "or in combination with other information" should be removed from proposed §1.56(b)(1) because it was unworkable to require an applicant to combine references against its own claims, especially since, according to the commentator, examiners and the Board of Patent Appeals and Interferences frequently misapply the law. Another comment stated that the language creates an open field for litigators to claim that an inordinate number of references could be combined.

Reply: The rule does not require an applicant to combine references against its own claims. The applicant can submit information to the Office for the examiner's consideration whether the information is considered material or not. The fact that the teachings of a large number of references must be combined for a prima facie case of obviousness does not by itself weigh against a holding of obviousness. See *In re Gorman*, 933 F.2d 982, 18 USPQ2d 1885 (Fed. Cir. 1991).

Comment 25. Four comments stated that the definition of "prima facie case of unpatentability" §1.56(b)(1) should be included in the rule itself. One comment said that the definition should not be included in the rule.

Reply: The definition has been included in the rule for clarity.

Comment 26. One comment stated that the proposed §1.56(b)(1) placed a burden on the practitioner to analyze references that is inappropriate and contradictory to a practitioner's responsibility to his client.

Reply: The rule itself does not place a burden on the practitioner to analyze references. Information can be submitted to the Office in accordance with §§1.97 and 1.98, and the examiner will consider the references.

Comment 27. One comment questioned whether an applicant would be charged with withholding material information if the "other information" (§1.56(b)(1)) necessary to cause an undisclosed reference to become material is unknown to the applicant. Another comment suggested that the language should be changed to read "other known information" to show that the information must be known to applicant to give rise to a duty of disclosure.

Reply: Paragraph (b) of §1.56 defines information material to patentability. While information may be material under the definition, there is no duty on an individual to disclose the information if the information is unknown to the individual (§1.56(a)).

Comment 28. One comment suggested that defining materiality in §1.56(b) in terms of prima facie unpatentability would permit a conspiracy of silence in which (1) the applicant knows of information but is incapable of making the legal analysis to determine whether the information is material and (2) the patent practitioner, who is equipped to determine whether information is material, does not know of the information and does not ask. Thus, it is argued there would be no violation of the duty of disclosure which requires knowledge of both information and its materiality.

Reply: The Office has set forth what information should be submitted so that the Office can make a proper determination on patentability. The term "conspiracy" has the connotation of

unlawfulness which would not be consistent with the duty of candor and good faith required in dealings with the Office.

Comment 29. One comment suggested that proposed §1.56(b)(1) should be revised to read "in combination with other information already of record in the application" to avoid the possibility that undisclosed material could be considered material in subsequent litigation when combined with information not known at the time of the prosecution to any person substantively involved in the preparation or prosecution of the application.

Reply: Paragraph (a) of §1.56 makes it clear that the Office recognizes that the duty to disclose material information is limited to such information which is known by an individual substantively involved in the preparation or prosecution of the application. Thus, while information may be material under the definition of §1.56(b)(1), there can be no duty to disclose the information if it is material only in combination with unknown information.

Comment 30. One comment stated that proposed §1.56(b) should be modified so that paragraph (b)(1) refers to information that renders a claim unpatentable ("but for"), paragraph (b)(2) remains as proposed, and a paragraph (b)(3) is added to include the definition of materiality as "the closest information over which any pending claim patentably defines." This comment suggested that this modified definition would have the advantage of not requiring the applicant to submit references which applicant knows are immaterial and to then engage in "straw man" arguments based on such references.

Reply: The suggested modification to §1.56 has not been adopted. The suggested language would seemingly require information to be filed in each application, whether the information is relevant or not, since the "closest information" would be required. Section 1.56 does not require information which is not relevant to be submitted, but only information which meets the definition of material as set out in the rule.

Comment 31. One comment stated that if proposed §1.56(b)(1) is promulgated, there would be no need for proposed §1.56(b)(2) with regard to information which would make a prima facie case of unpatentability and other information required by paragraph (b)(2) might be obscure. Another comment argued that paragraph (b)(2) was unnecessary, confusing and ambiguous and suggested changes in the language to make the requirement clear and less ambiguous.

Reply: The suggestion as to the language change to §1.56(b)(2) has been adopted. The final rule language avoids the perceived problem of requiring an applicant to submit information supporting a position taken by the examiner. It is not appropriate, however, to eliminate paragraph (b)(2) because it is an essential part of the definition of information material to patentability and will help to ensure that all material facts are brought to the attention of the examiner during the examination process.

Comment 32. One comment questioned the language of proposed §1.56(b)(2) as to how an applicant could consider a prior art reference as supporting a position of unpatentability taken by the Office while at the same time disputing that interpretation.

Reply: The language of §1.56(b)(2) has been modified to clarify that information is material to patentability if it refutes, or is inconsistent with, a position the applicant takes in (1) opposing an argument of unpatentability relied on by the Office, or (2) asserting an argument of patentability.

Comment 33. One comment stated that §1.56(b)(2) was flawed in requiring a duty to conduct a file search to make sure that no information exists which even arguably contradicts a position taken or to be taken in response to the examiner, or which supports the examiner's position which may be improper.

Reply: Section 1.56(b)(2) does not require a search of files. Under §1.56(a), the duty of disclosure is confined to that information which is known to an individual to be material as defined in paragraph (b).

Comment 34. One comment stated that proposed §1.56(c) should be modified so that the duty of any individual designated as having a duty of disclosure would terminate when such individual ceases to be substantively involved in the preparation or prosecution of the application. The comment used, as an example, an inventor who would not be aware of art cited by the examiner which would cause information known to the inventor to fall within the definition of materiality for the first time.

Reply: The suggestion in the comment is not adopted. The duty to disclose information material to patentability rests on the

individuals designated in §1.56(c) until the application issues as a patent or becomes abandoned. Paragraph (a) of §1.56 makes it clear, however, that each individual has a duty to disclose only information which is known to that individual to be material.

Comment 35. One comment stated that proposed §1.56(c)(3) should not include the assignee, or anyone to whom there is an obligation to assign the application, in the class of those who have a duty to disclose material information since there might be a "witch hunt" during litigation to find one employee with knowledge of, or possession of, information that should have been disclosed.

Reply: No modification to §1.56(c)(3) is needed since §1.56 sets forth that only individuals who are associated with the filing and prosecution of a patent application have a duty of candor and good faith, including a duty to disclose to the Office all information known to be material to patentability.

Comment 36. One comment stated that proposed §1.56(d) should be revised to expressly allow an inventor to satisfy the duty by disclosing information to the practitioner who prepares or prosecutes the application so that redundant information disclosure statements will not be required from both the inventor and the attorney or agent.

Reply: The suggestion in the comment is not adopted since the duty as described in §1.56 will be met as long as the information in question was cited by the Office or submitted to the Office in the manner prescribed by §§1.97(b)-(d) and 1.98 before issuance of the patent. Statements from both an inventor and the practitioner are not required to be submitted.

Comment 37. One comment stated that proposed §§1.52(c) and 1.67(c) should be modified to either (1) expressly permit alterations to be made in an application subsequent to the signing of the oath or declaration if a supplemental oath or declaration is later submitted, or (2) more properly, prohibit such alterations since if alterations are desirable, they can be made and the application can be filed with an unsigned oath or declaration. Another comment stated that willfully filling out false oaths should never be condoned.

Reply: The Office does not condone willfully filling out false oaths. Further, §10.23(c)(11) indicates that the Office considers it misconduct for a practitioner to knowingly file or cause to be filed an application containing a material alteration made after the signing of an accompanying oath or declaration without identifying the alteration. The Office will not consider striking an application in which an alteration was made, but a supplemental oath or declaration is required to be filed in an application containing alterations made after the signing of the oath or declaration.

Comment 38. One comment stated that the implementation of proposed §§1.63(b)(3) and 1.175(a)(7) allows for a two-month delay in the deadline for requiring declarations complying therewith.

Reply: The averments in oath or declaration forms presently in use that comply with the previous §1.63 or §1.175 will also comply with the requirements of the new rules. Therefore, the Office will continue to accept the old oath or declaration forms as complying with the new rules.

Comment 39. Five comments questioned the need for the proposed rules since statistics show that information disclosure statements are submitted early in prosecution and questioned what new service is being provided for the proposed fee in §1.97.

Reply: The Office desires to continue to encourage information to be submitted promptly so that it can be considered by the examiner when the first Office action is prepared. Some people have expressed a desire to have the option of waiting to submit information until after the first Office action, without concern that they will be subject to a charge of inequitable conduct. Section 1.97(c), as amended, will provide this option to applicants in that information will be considered later than three months after the filing date of the application (§1.97(a) prior to amendment) without a showing of promptness (prior §1.99). The fee will compensate the Office for the added expense caused by the late submission of the information and will serve as a disincentive to the intentional withholding of information even for a short period of time.

Comment 40. Two comments suggested that proposed §1.97(a) be modified so that the mechanism of proposed §1.98 would not be the only acceptable technique for submitting information.

Reply: The Office has set forth the minimum requirements for information to be considered in §§1.97 and 1.98. These rules will provide certainty for the public of exactly what the requirements are, when the Office will consider information and when the Office will not consider information. Thus, applicants are provided with means for complying with the duty of disclosure by following the rules. If information is submitted in a manner so that it is not considered by the Office, applicant will assume the risk that a court might find a violation of the duty of candor and good faith which includes the duty to disclose material information.

Comment 41. Four comments suggested that information which is recognized by applicant as being material after the period set in proposed §1.97(b) as the result of prior art cited by the examiner should be permitted to be submitted to the Office without the fee set forth in 1.17(p), the certification or the petition fee required by §1.97.

Reply: The suggestion in the comments is not adopted since it would require a certification, e.g., why the information was just recognized as being material, and would unduly complicate the rules and the procedures for considering information submitted by applicant. Applicants can avoid or, at least, minimize the problem by submitting information which is known to be relevant to the application even though it is not yet recognized as being required to be submitted because it is material to patentability. The fees charged are to compensate the Office for the additional work that will be necessary when information is submitted during an advanced stage of the examination process.

Comment 42. Two comments suggested that the period for submitting information set in proposed §1.97(b) be changed to be two months from the issuance of the Official Filing Receipt to avoid information disclosure statements being misrouted in the Office.

Reply: The suggestion in the comment is not adopted. The date that the Filing Receipt is mailed is not maintained in the application file so there would be administrative difficulty in determining when a fee or certification is required to be filed under the new rule. An application can be filed with a self-addressed return postcard so that applicant can obtain the serial number assigned to the application very soon after filing. Further, information may be filed under §1.97(b) before the mailing of a first Office action on the merits even if this occurs later than three months after the application filing date.

Comment 43. One comment questions whether §1.97(b) or §1.97(d) applies in the event of issuance of a final rejection within three months of the filing of an application. The comment indicated that paragraph (b) should apply in this situation.

Reply: Paragraph (b) would apply in this situation since the paragraph specifies that information may be filed within three months of the filing date of the application or before the mailing date of a first Office action on the merits, whichever event occurs last. Thus, information would be considered pursuant to §1.97(b) if it was filed within three months of the filing date of the application even if a final rejection was mailed prior to three months from the filing date.

Comment 44. One comment stated that proposed §1.97(b)(1) should be clarified to indicate that "the filing of a national application" includes "a continuing application which replaces the original application."

Reply: The suggested modification has not been adopted since it is not necessary for clarity. The term "national application" includes continuing applications in this and the other patent rules. It is not desirable to add the suggested language to all occurrences of the term "application" in the rules or to raise the implication that continuing applications are not included in the term in other rules by adding the suggested language to this rule.

Comment 45. One comment stated that proposed §1.97 should be changed to state that if a responsible party becomes aware of material information less than three months before issuance of an Office action, that information will be considered timely filed if it is submitted together with the response to the action. The comment also stated that the Office could go farther and implement a rule which specifies that such information will be considered timely submitted if it reaches the examiner before the response to the Office action is taken up for consideration. Three other comments stated that the Office should accept information disclosure statements with responses to Office actions, with one

comment arguing that there is no benefit in submitting two papers where one would suffice.

Reply: The suggestions in the comments are not adopted. The rule as proposed and promulgated has the advantage of being relatively easy to comply with and administer. Information should be submitted promptly so that the examiner will have the option of reviewing the information and withdrawing or revising the Office action. Requiring information to be submitted promptly contributes to the efficiency of the examination process.

Comment 46. One comment stated that there should be no fee in §1.97 associated with the filing of an information disclosure statement since this might impact negatively on the submission of material information; rather, it would be sufficient to permit material information submitted subsequent to a non-final action to support a final rejection in the next action, in the absence of the certification proposed in the rules. Another comment, however, stated that the proposed fee requirement would not be a disincentive to submission of prior art, but would force examiners to consider certain art which under current practice often is not made of record, but instead, requires the filing of a continuation application.

Reply: The fee required in the rule will serve both to cover additional expense caused the Office by the late submission of information and will also serve as a disincentive to failing to cooperate in submitting information early in the prosecution of an application rather than as a disincentive to submitting information at all.

Comment 47. One comment questioned whether information in an information disclosure statement submitted during the period set forth by proposed §1.97(c) could be used by an examiner to make the next action final if the statement was submitted with a certification under §1.97(e).

Reply: Information submitted with a certification during the period set forth in §1.97(c) will not be used to make the next Office action final on unamended claims since in this situation it is clear that applicant has submitted the information to the Office promptly after it has become known and the information is being submitted prior to a final determination on patentability by the Office.

Comment 48. One comment stated that it was unfair for the Office to require a fee for considering information pursuant to proposed §1.97(c) and then also be able to use the information in making the Office action final.

Reply: The policy is not considered to be unfair. If information is submitted during the period set forth in §1.97(c) without the certification, the fee will compensate the Office for extra work that may be caused by the failure to submit information promptly. If the cost for this extra work were not placed upon the applicant in this situation, the cost would have to be borne by all applicants through payment of higher fees. The possibility that the next Office action may be made final will further encourage prompt disclosure of information to the Office.

Comment 49. One comment suggested that information should be considered (§1.97(c)) after final rejection, since this is different from after allowance when the Office would have to go back and reconsider its work. Two comments stated that proposed §1.97(c)(1) should not penalize applicants who receive a foreign search report after a final rejection is made in the application and that the certification under §1.97(e) should be available until an advisory action after final rejection or a notice of allowability occurs in the application. Another comment stated that final action may not even be on the merits but merely administrative.

Reply: The suggestions in the comments are not adopted. Both a notice of allowance and a final rejection represent a final Office decision on patentability. Information considered after either of these actions may require the Office to alter its position. After either of these actions, information will be considered only if it is submitted promptly in accordance with §1.97(d) or is submitted in a refiled application. It should be noted that information cited in a foreign search report, if cited to the Office within three months of the date on the search report, will be considered by the Office if filed before payment of the issue fee.

Comment 50. One comment stated that proposed §1.97(d) would result in unequal treatment of U.S. inventors who file first in the Office as compared to foreign inventors who file first in a foreign country since the latter will have the results of the search made

by the foreign examining country earlier in the pendency of the U.S. application. Six comments suggested that a U.S. inventor should have the ability to make the certification of §1.97(e) and to have the Office consider the information, regardless of the stage of prosecution at which information from a foreign office is submitted.

Reply: It should be noted that the certification of §1.97(e) can be made and information considered by the Office until the issue fee is paid on the application. After the issue fee has been paid on an application, it is impractical for the Office to attempt to consider newly submitted information. The application may be withdrawn from issue at this point, however, pursuant to §1.313(b)(5) so that the information can be considered in a continuing application, or pursuant to §1.313(b)(3) if applicant states that one or more claims are unpatentable over the information that is cited. It is further noted that it is applicants, not the Office, who make decisions on when and in which countries to file an application. U.S. inventors who may desire to seek patent protection in foreign countries have the ability to utilize the provisions of the Patent Cooperation Treaty and to delay the requirement to enter the national stage until after a search report on the invention is made.

Comment 51. One comment questioned whether a certification under §1.97(e) could properly be made in situations where information known by the applicant but not considered material is cited by a foreign patent office more than three months later than the first knowledge by applicant.

Reply: The language of §1.97(e) has been modified to permit a certification to be made in the situation described in the comment. If an item of information is submitted within three months of being cited in a communication from a foreign patent office in a counterpart foreign patent application, the certification can be properly made regardless of any individual's previous knowledge of the information.

Comment 52. One comment stated that the three-month time period for submitting information from foreign patent offices under proposed §1.97(e) might be too short because not all foreign offices provide copies of references and that the Office should provide for a petition in unusual circumstances. Five comments stated that a three-month time limit for filing foreign search reports is not reasonable but rather that six months would be more reasonable.

Reply: The Office has chosen the three month time period as appropriate in view of all the factors involved in obtaining information and in the examination process. It should be noted that Office actions typically set a three-month shortened statutory period for response. A response to an Office action generally requires more time for preparation than is involved in the submitting of a foreign search report and copies of the documents cited.

Comment 53. Five comments suggested that §1.97(e) should permit a certification to be made if an individual knew of information for more than three months before it was filed but did not recognize its materiality or relevance to the application.

Reply: The suggestion in the comments is not adopted. The Office desires to encourage prompt evaluation of information as to materiality by applicants and the Office so as to contribute to the efficiency and effectiveness of the examination process. It should be noted that an applicant is not required to delay the submission of information while evaluating materiality, but can submit the information pursuant to §§1.97 and 1.98.

Comment 54. One comment stated that proposed §1.97(e) should be clarified to specify that the certificates can be made regardless of the source of the information being submitted, so long as it is disclosed within three months of receipt. One comment stated that the three-month period of proposed §1.97(e) should be measured from the receipt date of a communication from a foreign patent office.

Reply: A certification under §1.97(e) can be made if each item of information was cited in a communication from a foreign patent office in a counterpart foreign application not more than three months prior to filing the statement. A certification can also be made if no item of information was cited in a communication from a foreign patent office in a counterpart foreign application or was known to any individual designated in §1.56(c) more than three months prior to filing the information disclosure statement. The Office wishes to encourage prompt evaluation of the relevance of information and to have a date certain for determining if a certification can properly be made. Although it is recognized

that an individual actually becomes aware of the information in the communication from a foreign patent office sometime after it was mailed, the mailing date of such a communication, if it occurs prior to a first awareness of the same information, would determine the date for filing of an information disclosure statement without a fee. The Office is willing to absorb any additional cost in considering such information relevant to patentability after the time set in proposed paragraph (b) only when it is clear that an applicant is diligent in providing the information to the Office.

Comment 55. One comment stated that the cost of making a certification under §1.97(e) would be more than the \$200.00 fee proposed where no certification is made due to difficulties in obtaining information from foreign clients. The comment suggested that the rule provide for (1) the opportunity to provide documentation (as opposed to certification) illustrating when the information was received, and (2) the opportunity to submit information with increasing fees depending on when in the periods of §1.97(c) and (d) the information is submitted.

Reply: The suggestions in the comment are not adopted since they would add undue complexity to the rules and procedures. Further, the suggested provision of documentation, which presumably would be reviewed by someone in the Office, would probably add considerably to the overall expense of filing an information disclosure statement. No other comments indicated a desire for increasing fees depending on when the information is submitted.

Comment 56. Two comments stated that proposed §1.97(e) is ambiguous in using the language "to the knowledge of the person signing the certification" in that it could refer to "information and belief," "actual knowledge of the facts" or "no knowledge to the contrary." One comment stated that certifications should be able to be made on information and belief by a U.S. attorney or agent submitting a material reference received from a foreign patent attorney or agent, rather than requiring a certification from the foreign individual. Another comment suggested that the period should be calculated from when the applicant either knew or could have known of the reference because the U.S. attorney should not be penalized for delays from their foreign patent associates.

Reply: The certification under §1.97(e) should be made by a person who has knowledge of the facts being certified. The certification can be made by a practitioner who represents a foreign client and who relies on statements made by the foreign client as to the date the information first became known. A practitioner who receives information from a client without being informed whether the information was known for more than three months, however, cannot make the certification without making reasonable inquiry.

Comment 57. One comment stated that the language of proposed §1.97(e) would preclude the use of the certification in an application by corporations whose practitioners have over the years reviewed thousands of patents and technical publications, even though they are unaware of the relevance of any one thereof to the application.

Reply: The language of §1.97(e) is not intended to preclude use of the certification by representatives of corporations. The certification can be based on present, good faith knowledge about when information became known without a search of files being made. The Office, however, does desire to have information considered promptly by applicants as to materiality and to have information submitted to the Office early in the prosecution of an application.

Comment 58. One comment suggested that proposed §1.97(e) should permit certification only as to information submitted within four months of receipt from a foreign patent office, with all other late-submitted information requiring a fee so as to not open a legal quagmire implicit in the proposed certification requirement.

Reply: The suggestion in the comment is not adopted. The certification set forth in §1.97(e) is preferable since it provides the avoidance of the payment of a fee by a person who is submitting information promptly to the Office. An applicant has the option under the circumstances described in §1.97(c), however, to not make the certification and to pay the fee instead if so desired.

Comment 59. One comment suggested that proposed §1.97(f) be modified to specify that *not less than one month* will be given if a bona fide attempt is made to comply with §1.98 but part of the required content is omitted. Another comment suggested that §1.97(f) should state that the Office *will* give (rather than *may* give) additional time for compliance with §1.98.

Reply: The suggestions in the comments are not adopted. The language of §1.97(f) parallels present §1.135(c) since the practice and considerations are similar for both rules. The Office intends to provide one month to comply with §1.98 where a bona fide attempt has been made to do so.

Comment 60. One comment stated that proposed §1.97(f) should specify that the Office shall inform the applicant if a reference will not be considered due to noncompliance with §1.98 so as to avoid any argument in litigation that a certain reference was not considered due to clerical noncompliance.

Reply: The Office plans to notify applicants in accordance with §§1.97(f) and (i) if submitted information will not be considered. The examiner will also indicate in the application record what information has been considered. Further details will appear in the Manual of Patent Examining Procedure in due course.

Comment 61. One comment suggested that proposed §1.97(g) should be modified to state that the filing of an information disclosure statement shall not be construed as a representation that no other material information exists such as is set forth in current §1.97(b).

Reply: The suggestion in the comment has not been adopted since referring to "no other material information" would imply that the information being submitted was admitted to be material. There is no requirement that information being submitted be material to the application.

Comment 62. One comment suggested that proposed §1.97(h) be modified to state that information not considered by the Office will be deemed in all respects to have not been submitted by the applicant since this would make a noncompliant submission clearly not a fulfillment of the duty of candor.

Reply: The suggestion in the comment is not adopted. The Office has no need or desire to rule on lack of fulfillment of the duty of candor in such a situation. The rules are drafted such that §1.56 sets forth what information is material to patentability and §§1.97 and 1.98 set forth procedures to assure consideration of information by the Office.

Comment 63. One comment stated the Office has a duty to consider information even if this involves withdrawing an application from issue or publishing a cancellation notice and that proposed §1.97(h) should be changed to so state. Another comment stated that it would be an abdication of the duty that the Office owes to the public for information in the file to be ignored since issuance of an invalid patent can be used to discourage others in the field. The comment suggested that the Office should leave in doubt whether the information will be considered or not.

Reply: It is necessary for the Office to balance its need and desire to consider all information relevant to an application with its need for an efficient operation and its capability to consider information at various stages in the prosecution of an application. The Office is setting forth when information will and will not be considered to provide certainty for the public.

Comment 64. One comment requested information on how a United States patent application or other information (§1.98(a)(1)(iii)) should be listed on a PTO 1449 form.

Reply: The PTO 1449 has been drafted so as to provide spaces for listing documents which are available to the public and which will be printed on the patent at issuance. Other information should be listed separately from the PTO 1449 form.

Comment 65. One comment stated that §1.98(a)(2)(i) should not require the submission by applicants of United States patents listed in an information disclosure statement since the Office is better equipped to provide examiners with copies of those documents than inventors and their attorneys. Alternatively, the comment suggested that the Office should establish a procedure whereby an order for the Office to provide the copies of the patents at the usual fee can accompany the information disclosure statement.

Reply: At the present time, when the Automated Patent System has not been fully implemented, the overall cost of the Office obtaining copies of patents and associating them with application files would be greater than for applicants to provide copies with information disclosure statements. Presumably, the appli-

cant would be using a copy of the patent in preparing the statement and could easily make a copy for submission to the Office.

Comment 66. One comment suggested that §1.98(a)(2)(iii), as proposed, be clarified by substituting "except that no copy of a U.S. patent application need be included" for the proposed phrase "except a U.S. patent application."

Reply: The suggested clarification to the language of the rule has been adopted.

Comment 67. A number of comments objected to the requirement in §1.98(a)(3) for a concise explanation of the relevance of all items of information being submitted.

Reply: In response to the comments, §1.98(a)(3) has been modified to require a concise explanation only of patents, publications or other information listed in an information disclosure statement that are not in the English language. Applicants may, if they wish, provide concise explanations of why English-language information is being submitted and how it is understood to be relevant. Concise explanations are helpful to the Office, particularly where documents are lengthy and complex and applicant is aware of a section that is highly relevant to patentability.

Comment 68. Five comments stated that the proposed rules should be modified to state that if information is being submitted from a foreign search report, the requirement for a concise explanation in proposed §1.98(a)(3) may be satisfied by submitting an English-language version of the search report.

Reply: The language of §1.98(a)(3) has been modified so that no concise explanation is required for information submitted in the English language. The concise explanation requirement for non-English language information may be met by the submission of an English language version of the search report indicating the degree of relevance found by the foreign office. It is not necessary that this detail be included in the rule.

Comment 69. Five comments questioned whether the requirement in proposed §1.98(a)(3) would be satisfied by a statement that the references were cited in the prosecution of a parent application.

Reply: The requirement in §1.98(a)(3) for a concise explanation of non-English language information would not be satisfied by a statement that a reference was cited in the prosecution of a parent application. The concise explanation must explain the relevance as presently understood by the person designated in §1.56(c) most knowledgeable about the content of the information.

Comment 70. One comment suggested that proposed §1.98(a)(3) should be modified to require a concise explanation of "what is believed to be" the relevance of information listed to avoid the accusation of violation of duty of disclosure merely because more relevant portions of the information are later found. Another comment suggested that the concise explanation should state what is "reasonably understood by the person submitting the statement." Another comment stated that the applicant should be required to explain (1) only what is understood or believed about the item of information at the time the disclosure is made, or (2) why the item is listed.

Reply: The suggestions in the comments have been substantially adopted in modifying the language of §1.98(a)(3).

Comment 71. One comment stated that proposed §1.98(b) should not require the date (unless material) and place of publication of journal articles since such information is not given on search reports from foreign patent offices or on journals published by the American Chemical Society, which just give the year. Another comment indicated that sometimes it is not clear where the place of publication is.

Reply: The suggestions in the comments are not adopted. The date of publication is necessary for the Office to be able to determine if the information may be used in a rejection of the claims in an application. The place of publication refers to the name of the journal, magazine or other publication in which the article was published, which should be available in the vast majority of cases.

Comment 72. One comment suggested that §1.98(c) should not require a translation of a non-English language document to be filed if a translation is within the possession, custody or control of an individual designated in §1.56(c) because such person may not recall that there is a translation somewhere in the records of the individual, perhaps having been made for another application years earlier.

Reply: The requirement of the rule for a translation to be submitted under limited conditions is not a change in practice. See prior §§1.56(j) and 1.97(b). Since the requirement has caused little, if any, problem in the past, the suggestion of the comment is not adopted.

Comment 73. One comment suggested that §1.98(c) should be revised to make it clear that a reference that is essentially cumulative to another reference need not be listed in an information disclosure statement.

Reply: The concept that cumulative information is not material is set forth in §1.56(b). Section 1.98 does not deal with what information must be submitted, but provides an exception for cumulative information to the requirement for a copy to be submitted of each item of information listed in an information disclosure statement.

Comment 74. One comment stated that a sentence in the preamble discussion of proposed §1.98(c) was burdensome because it would require submission of incomplete or inexact translations which may have been made of an item of information. The sentence in question reads:

"But if the individual has the ability to translate the non-English language into English and has done so for the purposes of reviewing the information relative to the claimed invention, the translation would be considered 'readily available.'"

Another comment stated that proposed §1.98(c) should be modified to require a translation if the non-English language document is to be considered by the examiner since the attorney would want to prepare an accurate translation of particularly relevant references. One comment suggested that §1.98(c), or the preamble discussion, should make it clear that an English-language translation of a foreign language material reference need not be submitted where an individual merely reads in the reference in its original language and translates it mentally but does not prepare a written translation. Five other comments requested clarification on this point.

Reply: The Office does not intend to require translations unless they have been reduced to writing and are actually translations of what is contained in the non-English language information. Applicants should note, however, that most examiners do not have the ability to understand information which is not in English and that the Office will not routinely translate information submitted in a non-English language. The examiner will consider the information insofar as it is understood on its face, e.g., drawings, chemical formulas, English-language abstracts, but will not have the information translated unless it appears to be necessary to do so. Applicants are required to aid the examiner by complying with the requirements for a concise explanation in §1.98(a)(3) for information submitted in a non-English language.

Comment 75. One comment stated that §1.98(d) should be clarified to state that a copy of an item of information listed in an information disclosure statement need not be submitted if the reference was cited by the Office or previously submitted to the Office in connection with a prior application.

Reply: The suggestion in the comment is adopted. The language of §1.98(d) has been modified to state that a copy of an item of information is not required if it was previously cited by the Office or previously submitted to the Office in a prior application being relied on for an earlier filing date under 35 U.S.C. 120.

Comment 76. One comment suggested that proposed §1.98(d) should be revised to not require the submission of a copy of the information listed in an information disclosure statement if a copy of the information has previously been submitted to the Office in a prior application, whether or not the earlier application is being relied upon for an earlier filing date under 35 U.S.C. 120.

Reply: The suggestion in the comment is not adopted. The exception to the requirement for a copy of each item of information to be submitted has been made with regard to prior applications which will normally be available to, and considered by, the examiner. It would not be efficient for the examiner to be required to seek out unrelated application files to obtain a copy of an item of information when a copy could easily be submitted by applicant.

Comment 77. One comment questioned what would be considered "timely" under §1.291 so that information would be consid-

ered by the examiner without payment of a fee, in contrast to proposed §1.97 which may require a fee.

Reply: Section 1.291 has not been amended to redefine timeliness. The comment seems to imply that the fee requirements of §1.97 can be avoided through the use of a protest submitting information, but such a course of action might raise questions regarding compliance with the duty of candor and good faith required in dealings with the Office.

Comment 78. One comment stated that the Office should not drop the acknowledgment of a protest having been filed under §1.291 in a reissue application because the acknowledgment served as an indication that the protest had been received in the examining group from the mail room.

Reply: The suggestion in the comment is not adopted. Any perceived benefit from retaining the acknowledgment is outweighed by the administrative burden it causes. There is no good reason to treat the filing of protests in reissue applications differently from the filing of protests in original applications or from the filing of other papers in the Office.

Comment 79. One comment questioned whether an application could be withdrawn from issue pursuant to proposed §1.313(b)(5) without admitting unpatentability.

Reply: There is no requirement that unpatentability must be admitted before an application can be withdrawn from issue pursuant to §1.313(b)(5). The rule provides for applications to be withdrawn from issue and abandoned for consideration of information in a continuing application. This differs from a petition under §1.313(b)(3) based on unpatentability of one or more claims.

Comment 80. One comment questioned whether, if an application is withdrawn from issue pursuant to proposed §1.313(b)(5), an information disclosure statement can be submitted in the continuing application under §1.97(b) without a certification.

Reply: A continuing application is treated like any other application with regard to the times set forth in §1.97(b). Thus, for example, an information disclosure statement could be filed without a fee or certification in a continuing application within three months of the filing date of the continuing application.

Comment 81. One comment questioned whether an application withdrawn from issue pursuant to §1.313(b)(5) could have new art and amendments considered in that application rather than in a continuing application. The comment also questioned the handling of applications withdrawn from issue pursuant to §1.313(b)(3).

Reply: The language of §1.313(b)(5) makes it clear that an application withdrawn from issue thereunder is to be abandoned without further prosecution. This differs from an application withdrawn from issue pursuant to §1.313(b)(3) because applicant had admitted the unpatentability of one or more claims.

Comment 82. One comment questioned whether the continuing application mentioned in proposed §1.313(b)(5) could be a file wrapper continuing application under §1.62 and how applicants can accomplish the withdrawal from issue under proposed §1.313(b) late in the prosecution of an application.

Reply: The continuing application mentioned in §1.313(b)(5) can be a file wrapper continuing application under §1.62. Even though §1.62 requires a file wrapper continuing application to be filed before the payment of the issue fee, the Office will consider the filing of a petition to withdraw from issue under §1.313(b)(5) as sufficient grounds to waive that requirement of §1.62. Late in the prosecution of an application, the Office has difficulty in matching papers with the application file. Papers requesting that an application be withdrawn from issue after the issue fee is paid should be directed, or preferably hand-carried, to the Office of Petitions in the Office of the Assistant Commissioner for Patents.

Comment 83. Seven comments suggested that §1.555(a) should not be amended to require the submission of "all information material to patentability" since a reexamination proceeding is limited to consideration of patents and printed publications.

Reply: The suggestion in the comments has been adopted. A paragraph (b), which defines what information is material to patentability in a reexamination proceeding, has been added to the rule.

Comment 84. One comment suggested that proposed §1.555(a) should be modified to make clear that there is no duty of disclosure on employees of a corporate patent owner if the employees are not substantively involved in the preparation of the reexamination request or the reexamination proceeding.

Reply: The suggestion in the comment to modify the language in §1.555(a) has not been adopted. The rule refers to individuals who are substantively involved on behalf of the patent owner in a reexamination proceeding.

Comment 85. Two comments stated that the Office should consider fraud or other inequitable conduct issues in interference proceedings.

Reply: The suggestion in the comments has been adopted. The Office will consider inequitable conduct issues in interference proceedings as announced on November 19, 1991, in the *Official Gazette* of the Patent and Trademark Office at 1132 Off. Gaz. Pat. Off. 33.

Comment 86. One comment requested more examples with regard to proposed §10.23(c)(10) of what alteration or combination of alterations in a declaration would be considered material.

Reply: It is not the function of the rules or the rulemaking process to provide a detailed listing of what alterations may be considered to be improper. This consideration will necessarily be made in view of the totality of the circumstances involved. Practitioners would be well advised to avoid filing applications which contain alterations which have not been initialed and dated.

Comment 87. Two comments stated that §10.23(c)(10) should be amended to prohibit knowingly attempting to mislead the Office in the drafting or prosecution of a patent application. One comment stated that attempted fraud or inequitable conduct would not be prohibited by proposed §10.23(c)(10) because such conduct would not be a violation of proposed §§1.56 or 1.555.

Reply: No amendment is necessary to the language of §10.23(c)(10). It should be noted that the duty of candor and good faith in dealing with the Office is included in §§1.56 and 1.555. This duty includes a prohibition against knowingly attempting to mislead the Office.

Comment 88. Five comments stated that it would be unfair to impose the new disclosure requirements and fees on applications that are pending before the Office on the effective date of the new rule. Another comment stated that the rules should be immediately effective for all pending applications with some grace period for making the initial disclosure without penalty and without fee.

Reply: The Office will apply the new rules to all applications pending on, or filed on or after, the effective date of the rules. While this implementation may cause some burden on some applicants, other applicants will obtain benefits not otherwise available. This decision will also ease the administrative burden on the Office in implementing the new rules.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)) because the rules as adopted do not require individuals to submit information that they are not already aware of and are not already under an obligation to provide to the Office. The rules further promote the efficiency of the examination process by encouraging a timely submission of an information disclosure statement and by substantially eliminating rejections based on inequitable conduct, thereby reducing the costs to all patent applicants.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, state or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity or innovation, or on the ability of the United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this rule change has no Federalism implications affecting the rela-

tionship between the National Government and the States as outlined in Executive Order 12612.

This rule contains a collection of information requirement subject to the Paperwork Reduction Act, which has previously been approved by the Office of Management and Budget under Control No. 0651-0011. Each information disclosure statement is estimated to take approximately 30 minutes, including time for reviewing instructions, gathering and maintaining data needed, and completing and reviewing the collection of information. The time estimate has been reduced from that stated in the proposal since the requirement for a concise explanation of the relevance of each item of information cited in an information disclosure statement has been limited to information submitted in a language other than English. Send comments regarding this burden estimate to the Patent and Trademark Office, Office of Management and Organization, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503. (Attention Paper Reduction Project 0651-0011)

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Inventions and patents, Reporting and record keeping requirements, Small businesses.

37 CFR Part 10

Administrative practice and procedure, Inventions and patents, Lawyers, Reporting and record keeping requirements.
For the reasons set forth in the preamble, 37 CFR Parts 1 and 10 are amended as follows:

Part 1 - Rules of Practice in Patent Cases

1. The authority citation for Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. In §1.17, paragraph(i)(1) is revised and paragraph (p) is added to read as follows:

§1.17 Patent application processing fees.

(i)(1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$130.00

§1.12—for access to an assignment record.

§1.14—for access to an application.

§1.53—to accord a filing date.

§1.55—for entry of late priority papers.

§1.60—to accord a filing date.

§1.62—to accord a filing date.

§1.97(d)—to consider an information disclosure statement.

§1.103—to suspend action in application.

§1.177—for divisional reissues to issue separately.

§1.312—for amendment after payment of issue fee.

§1.313—to withdraw an application from issue.

§1.314—to defer issuance of a patent.

§1.334—for patent to issue to assignee, assignment recorded late.

§1.666(b)—for access to interference settlement agreement.

(p) For submission of an information disclosure statement under §1.97(c) \$200.00

3. Section 1.28, paragraph (d)(2) is revised to read as follows:

§1.28 Effect on fees of failure to establish status, or change status, as a small entity.

(d)(1) ***

(2) Improperly and with intent to deceive

(i) establishing status as a small entity,
or

(ii) paying fees as a small entity

shall be considered as a fraud practiced or attempted on the Office.

4. Section 1.51, paragraph (b) is revised to read as follows:

§1.51 General requisites of an application.

(b) Applicants are encouraged to file an information disclosure statement. See §§1.97 and 1.98.

5. Section 1.52, paragraph (c) is revised to read as follows:

§1.52 Language, paper, writing, margins.

(c) Any interlineation, erasure, cancellation or other alteration of the application papers filed should be made before the signing of any accompanying oath or declaration pursuant to §1.63 referring to those application papers and should be dated and initialed or signed by the applicant on the same sheet of paper. Application papers containing alterations made after the signing of an oath or declaration referring to those application papers must be supported by a supplemental oath or declaration under §1.67(c). After the signing of the oath or declaration referring to the application papers, amendments may be made in the manner provided by §§1.121 and 1.123 through 1.125.

6. Section 1.56 is revised to read as follows:

§1.56 Duty to disclose information material to patentability.

(a) A patent by its very nature is affected with a public interest. The public interest is best served, and the most effective patent examination occurs when, at the time an application is being examined, the Office is aware of and evaluates the teachings of all information material to patentability. Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section. The duty to disclose information exists with respect to each pending claim until the claim is cancelled or withdrawn from consideration, or the application becomes abandoned. Information material to the patentability of a claim that is cancelled or withdrawn from consideration need not be submitted if the information is not material to the patentability of any claim remaining under consideration in the application. There is no duty to submit information which is not material to the patentability of any existing claim. The duty to disclose all information known to be material to patentability is deemed to be satisfied if all information known to be material to patentability of any claim issued in a patent was cited by the Office or submitted to the Office in the manner prescribed by §§1.97(b)-(d) and 1.98. However, no patent will be granted on an application in connection with which fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct. The Office encourages applicants to carefully examine; (1) prior art cited in search reports of a foreign patent office in a counterpart application, and (2) the closest information over which individuals associated with the filing or prosecution of a patent application believe any pending claim patentably defines, to make sure that any material information contained therein is disclosed to the Office.

(b) Under this section, information is material to patentability when it is not cumulative to information already of record or being made of record in the application, and

(1) it establishes, by itself or in combination with other information, a prima facie case of unpatentability of a claim; or
(2) it refutes, or is inconsistent with, a position the applicant takes in:

(i) opposing an argument of unpatentability relied on by the Office, or

(ii) asserting an argument of patentability.

A prima facie case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

(c) Individuals associated with the filing or prosecution of a patent application within the meaning of this section are:

(1) each inventor named in the application;

(2) each attorney or agent who prepares or prosecutes the application; and

(3) every other person who is substantively involved in the preparation or prosecution of the application and who is associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application.

(d) Individuals other than the attorney, agent or inventor may comply with this section by disclosing information to the attorney, agent, or inventor.

7. Section 1.63, paragraphs (b)(3) and (d) are revised to read as follows:

§1.63 Oath or declaration.

(b) ***

(3) Acknowledges the duty to disclose to the Office all information known to the person to be material to patentability as defined in §1.56.

(d) In any continuation-in-part application filed under the conditions specified in 35 U.S.C. 120 which discloses and claims subject matter in addition to that disclosed in the prior copending application, the oath or declaration must also state that the person making the oath or declaration acknowledges the duty to disclose to the Office all information known to the person to be material to patentability as defined in §1.56, which became available between the filing date of the prior application and the national or PCT international filing date of the continuation-in-part application.

8. Section 1.67 is amended by adding a new paragraph (c) to read as follows:

§1.67 Supplemental oath or declaration.

(c) A supplemental oath or declaration meeting the requirements of §1.63 must also be filed if the application was altered after the oath or declaration was signed or if the oath or declaration was signed:

(1) in blank;

(2) without review thereof by the person making the oath or declaration; or

(3) without review of the specification, including the claims, as required by §1.63(b)(1).

9. Section 1.97 is revised to read as follows:

§1.97 Filing of information disclosure statement.

(a) In order to have information considered by the Office during the pendency of a patent application, an information disclosure statement in compliance with §1.98 should be filed in accordance with this section.

(b) An information disclosure statement shall be considered by the Office if filed:

(1) within three months of the filing date of a national application;

(2) within three months of the date of entry of the national stage as set forth in §1.491 in an international application; or

(3) before the mailing date of a first Office action on the merits, whichever event occurs last.

(c) An information disclosure statement shall be considered by the Office if filed after the period specified in paragraph (b) of this section, but before the mailing date of either

(1) a final action under §1.113 or

(2) a notice of allowance under §1.311,

whichever occurs first, provided the statement is accompanied by either a certification as specified in paragraph (e) of this section or the fee set forth in §1.17(p).

(d) An information disclosure statement shall be considered by the Office if filed after the mailing date of either

(1) a final action under §1.113 or

(2) a notice of allowance under §1.311,

whichever occurs first, but before payment of the issue fee, provided the statement is accompanied by:

(i) a certification as specified in paragraph (e) of this section,

(ii) a petition requesting consideration of the information disclosure statement, and

(iii) the petition fee set forth in §1.17(i)(1).

(e) A certification under this section must state either

(1) that each item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application not more than three months prior to the filing of the statement, or

(2) that no item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application or, to the knowledge of the person signing the certification after making reasonable inquiry, was known to any individual designated in §1.56(c) more than three months prior to the filing of the statement.

(f) No extensions of time for filing an information disclosure statement are permitted under §1.136. If a bona fide attempt is made to comply with §1.98, but part of the required content is inadvertently omitted, additional time may be given to enable full compliance.

(g) An information disclosure statement filed in accordance with this section shall not be construed as a representation that a search has been made.

(h) The filing of an information disclosure statement shall not be construed to be an admission that the information cited in the statement is, or is considered to be, material to patentability as defined in §1.56(b).

(i) Information disclosure statements, filed before the grant of a patent, which do not comply with this section and §1.98 will be placed in the file, but will not be considered by the Office.

10. Section 1.98 is revised to read as follows:

§1.98 Content of information disclosure statement.

(a) Any information disclosure statement filed under §1.97 shall include:

(1) A list of all patents, publications, or other information submitted for consideration by the Office;

(2) A legible copy of:

(i) Each U.S. and foreign patent;

(ii) Each publication or that portion which caused it to be listed; and

(iii) All other information or that portion which caused it to be listed, except that no copy of a U.S. patent application need be included; and

(3) A concise explanation of the relevance, as it is presently understood by the individual designated in §1.56(c) most knowledgeable about the content of the information, of each patent, publication, or other information listed that is not in the English language. The concise explanation may be either separate from the specification or incorporated therein.

(b) Each U.S. patent listed in an information disclosure statement shall be identified by patentee, patent number and issue date. Each foreign patent or published foreign patent application shall be identified by the country or patent office which issued the patent or published the application, an appropriate document number, and the publication date indicated on the patent or published application. Each publication shall be identified by author (if any), title, relevant pages of the publication, date and place of publication.

(c) When the disclosures of two or more patents or publications listed in an information disclosure statement are substantively cumulative, a copy of one of the patents or publications may be submitted without copies of the other patents or publications provided that a statement is made that these other patents or publications are cumulative. If a written English-language translation of a non-English language document, or portion thereof, is within the possession, custody or control of, or is readily available to any individual designated in §1.56(c), a copy of the translation shall accompany the statement.

(d) A copy of any patent, publication or other information listed in an information disclosure statement is not required to be provided if it was previously cited by or submitted to the Office in a prior application, provided that the prior application is properly identified in the statement and relied upon for an earlier filing date under 35 U.S.C. 120.

11. Section 1.99 is removed and reserved.

12. Section 1.175, paragraph (a)(7), is revised to read as follows:

§1.175 Reissue oath or declaration.

(a) * * *

(7) Acknowledging the duty to disclose to the Office all information known to applicants to be material to patentability as defined in § 1.56.

* * * * *

13. Section 1.193(c) is removed and reserved.

§1.193 Examiner's Answer.

14. Section 1.291, paragraphs (a) and (c), are revised to read as follows:

§1.291 Protests by the public against pending applications.

(a) Protests by a member of the public against pending applications will be referred to the examiner having charge of the subject matter involved. A protest specifically identifying the application to which the protest is directed will be entered in the application file if:

- (1) the protest is timely submitted; and
- (2) the protest is either served upon the applicant in accordance with §1.248, or filed with the Office in duplicate in the event service is not possible.

Protests raising fraud or other inequitable conduct issues will be entered in the application file, generally without comment on those issues. Protests which do not adequately identify a pending patent application will be disposed of and will not be considered by the Office.

* * * * *

(c) A member of the public filing a protest in an application under paragraph (a) of this section will not receive any communications from the Office relating to the protest, other than the return of a self-addressed postcard which the member of the public may include with the protest in order to receive an acknowledgment by the Office that the protest has been received. The Office may communicate with the applicant regarding any protest and may require the applicant to respond to specific questions raised by the protest. In the absence of a request by the Office, an applicant has no duty to, and need not, respond to a protest. The limited involvement of the member of the public filing a protest pursuant to paragraph (a) of this section ends with the filing of the protest, and no further submission on

behalf of the protestor will be considered unless such submission raises new issues which could not have been earlier presented.

15. Section 1.313, paragraph (b), is revised to read as follows:

§1.313 Withdrawal from issue.

* * * * *

(b) When the issue fee has been paid, the application will not be withdrawn from issue for any reason except:

- (1) a mistake on the part of the Office;
- (2) a violation of §1.56 or illegality in the application;
- (3) unpatentability of one or more claims;
- (4) for interference; or
- (5) for abandonment to permit consideration of an

information disclosure statement under §1.97 in a continuing application.

16. Section 1.555 is revised to read as follows:

§1.555 Information material to patentability in reexamination proceedings.

(a) A patent by its very nature is affected with a public interest. The public interest is best served, and the most effective reexamination occurs when, at the time a reexamination proceeding is being conducted, the Office is aware of and evaluates the teachings of all information material to patentability in a reexamination proceeding. Each individual associated with the patent owner in a reexamination proceeding has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability in a reexamination proceeding. The individuals who have a duty to disclose to the Office all information known to them to be material to patentability in a reexamination proceeding are the patent owner, each attorney or agent who represents the patent owner, and every other individual who is substantively involved on behalf of the patent owner in a reexamination proceeding. The duty to disclose the information exists with respect to each claim pending in the reexamination proceeding until the claim is cancelled. Information material to the patentability of a cancelled claim need not be submitted if the information is not material to patentability of any claim remaining under consideration in the reexamination proceeding. The duty to disclose all information known to be material to patentability in a reexamination proceeding is deemed to be satisfied if all information known to be material to patentability of any claim in the patent after issuance of the reexamination certificate was cited by the Office or submitted to the Office in an information disclosure statement. However, the duties of candor, good faith, and disclosure have not been complied with if any fraud on the Office was practiced or attempted or the duty of disclosure was violated through bad faith or intentional misconduct by, or on behalf of, the patent owner in the reexamination proceeding. Any information disclosure statement must be filed with the items listed in §1.98(a) as applied to individuals associated with the patent owner in a reexamination proceeding, and should be filed within two months of the date of the order for reexamination, or as soon thereafter as possible.

(b) Under this section, information is material to patentability in a reexamination proceeding when it is not cumulative to information of record or being made of record in the reexamination proceeding, and

- (1) it is a patent or printed publication that establishes, by itself or in combination with other patents or printed publications, a prima facie case of unpatentability of a claim; or
- (2) it refutes, or is inconsistent with, a position the patent owner takes in:
 - (i) opposing an argument of unpatentability relied on by the Office, or
 - (ii) asserting an argument of patentability.

A prima facie case of unpatentability of a claim pending in a reexamination proceeding is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving

each term in the claim its broadest reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

(c) The responsibility for compliance with this section rests upon the individuals designated in paragraph (a) of this section and no evaluation will be made by the Office in the reexamination proceeding as to compliance with this section. If questions of compliance with this section are discovered during a reexamination proceeding, they will be noted as unresolved questions in accordance with §1.552(c).

Part 10 - Representation of Others Before the Patent and Trademark Office

17. The authority citation for Part 10 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

18. Section 10.23, paragraphs (c)(10) and (c)(11), are revised to read as follows:

§10.23 Misconduct.

(c) ***

(10) Knowingly violating or causing to be violated the requirements of §1.56 or §1.555 of this subchapter.

(11) Knowingly filing or causing to be filed an application containing any material alteration made in the application papers after the signing of the accompanying oath or declaration without identifying the alteration at the time of filing the application papers.

Jan 9, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1135 OG 13]

(112) Implementation of Rules on Information Disclosure Statements

New rules on the duty of disclosure and information disclosure statements, effective March 16, 1992, were published in the *Federal Register* at 57 FR 2021 (Jan. 17, 1992) and in the *Official Gazette* at 1135 Off. Gaz. Pat. Office 13 (Feb. 4, 1992).

The procedures for handling information disclosure statements (37 CFR 1.97 and 1.98) will be set forth in Section 609 of the Manual of Patent Examining Procedure (MPEP). A copy of the instructions being given to examiners for handling information disclosure statements under the new rules is being published for the benefit of the public. Also being published is a sample declaration form which incorporates language conforming to the amendment to 37 CFR 1.63 contained in the new rules. Declaration forms acceptable under the rules in effect prior to the change effective March 16, 1992, will continue to be acceptable under the new rules.

The Office is considering changing its policy regarding the printing on patents of citations of information considered in patent applications. The proposed change will not affect consideration by the examiner of information submitted to the Office in compliance with 37 CFR 1.97(b)-(d) and 1.98. The proposed change affects only the information printed on the patent. Presently, as set forth in the last paragraph of the instructions which follow, information properly submitted by applicant and considered by the examiner will be printed on the patent along with the references cited by the examiner in Office actions. It has been suggested that it would be more helpful to the Office and to the public in using a patent for future search purposes if only the references cited and/or relied upon by the examiner in Office actions were listed on the printed patent. Alternatively, it has been suggested that the references listed on a patent be differen-

tiated as to whether they were cited and/or relied on by the examiner or cited by applicant but not relied on by the examiner. The Office has a preference for the option that lists only the information cited and/or relied on by the examiner because it reduces printing costs (some citations by applicants now add several additional pages to the patent grant) and minimizes processing problems associated with correcting incomplete or inaccurate citations before the patent is printed. Public comment on these proposals is welcomed and should be directed to J. Michael Thesz (703-305-9384) or by mail directed to Mr. Thesz in the Office of the Assistant Commissioner for Patents. Comments should be received before May 29, 1992.

April 20, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1138 OG 37]

(112a) Processing of Information Disclosure Statements Under the New Rules Effective March 16, 1992

Applicants and other individuals substantively involved with the preparation and/or prosecution of a patent application have a duty to submit to the Office information which is material to patentability as defined in 37 CFR 1.56. These individuals also may want the Office to consider information for a variety of other reasons, e.g., without first determining whether the information meets any particular standard of materiality, or because another patent office considered the information to be relevant in a counterpart or related patent application filed in another country, or to make sure that the examiner has an opportunity to consider the same information that was considered by the individuals that were substantively involved with the preparation or prosecution of a patent application.

An information disclosure statement filed in accordance with the provisions of 37 CFR 1.97 and 1.98 provides the procedure available to an applicant to submit information to the Office so that information will be considered by the examiner assigned to the application. The requirements for the content of a statement have been simplified in the new rules effective March 16, 1992, to encourage individuals associated in a substantive way with the filing and prosecution of a patent application to submit information to the Office so the examiner can determine its relevance to the claimed invention. The procedure for submitting an information disclosure statement under the new rules are designed to encourage individuals to submit information to the Office promptly.

In order to have information considered by the Office during the pendency of a patent application, an information disclosure statement in compliance with 37 CFR 1.98 as to content must be filed in accordance with the procedural requirements of 37 CFR 1.97. The requirements as to content are discussed in A below. The requirements based on the time of filing the statement are discussed in B below. Examiner handling of information disclosure statement is discussed in C below.

The Office has set forth the minimum requirements for information to be considered in 37 CFR 1.97 and 1.98. Once the minimum requirements are met, the examiner has an obligation to consider the information. These rules provide certainty for the public by defining what the requirements are, when the Office will consider information and when the Office will not consider information.

The filing of an information disclosure statement shall not be construed as a representation that a search has been made. 37 CFR 1.97(g). There is no requirement that an application for a patent make a patentability search. Further, the filing of an information disclosure statement shall not be construed to be an admission that the information cited in the statement is, or is considered to be, material to patentability as defined in 37 CFR 1.56(b). 37 CFR 1.97(h). See MPEP 706.02(b) regarding admissions by applicant.

Multiple information disclosure statements may be filed in a single application, and they will be considered, provided each is in compliance with the appropriate requirements. Use of form PTO-1449, "Information Disclosure Citation," is encouraged as

a means providing the required list of information. See C(2) below.

Information which is cited or submitted to the Office in the parent application of a file wrapper continuing application under 37 CFR 1.62 will be part of the file before the examiner and need not be resubmitted in the continuing application. Likewise, the examiner will consider information cited or submitted to the Office in a parent application when examining a continuing application and thus this information need not be resubmitted unless applicant desires the information to be printed on the patent.

A. Content

An information disclosure statement must comply with the provisions of 37 CFR 1.98 as to content in order to be considered by the Office. Each information disclosure statement must comply with the applicable provisions of A(1), A(2) and A(3) below.

A(1) Each information disclosure statement must include a list of all patents, publications, or other information submitted for consideration by the Office.

Paragraph (b) of 37 CFR 1.98 requires that each U.S. patent listed in an information disclosure statement be identified by patentee, patent number and issue date. Each foreign patent or published foreign patent application must be identified by the country or patent office which issued the patent or published the application, an appropriate document number, and the publication date indicated on the patent or published application. Each publication must be identified by author (if any), title, relevant pages of the publication, date (at least month and year) and place of publication. The place of publication refers to the name of the journal, magazine or other publication in which the information being submitted was published.

The list may not be incorporated into the specification but must be submitted in a separate paper. A separate list is required so that it is easy to confirm that applicant intends to submit an information disclosure statement, and because it provides a readily available checklist for the examiner to indicate which identified documents have been considered. A copy of a separate list will also provide a simple means of communication to applicant to indicate the listed documents that have been considered and those listed documents that have not been considered. Use of form PTO-1449, "Information Disclosure Citation," is encouraged. See C(2) below.

A(2) In addition to the list, each information disclosure statement must also include a legible copy of:

- (i) Each U.S. and foreign patent;
- (ii) Each publication or that portion which caused it to be listed; and
- (iii) All other information or that portion which caused it to be listed, except that no copy of a U.S. patent application need be included.

There are exceptions to this general rule that a copy must be provided. First, paragraph (d) of 37 CFR 1.98 states that a copy of any patent, publication or other information listed in an information disclosure statement is not required to be provided if it was previously cited by or submitted to the Office in a prior application, provided that the prior application is properly identified in the statement and relied upon for an earlier filing date under 35 U.S.C. 120. The examiner will consider information cited or submitted to the Office in a prior application relied on under 35 U.S.C. 120. This exception to the requirement for copies of information does not apply to information which was cited in an international application under the Patent Cooperation Treaty.

Second, paragraph (c) of 37 CFR 1.98 states that when the disclosures of two or more patents or publications listed in an information disclosure statement are substantively cumulative, a copy of the one of the patents or publications may be submitted without copies of the other patents or publications provided that a statement is made that these other patents or publications are cumulative. The examiner will then consider only the patent or

publication of which a copy is submitted and will so indicate on the list or form PTO-1449 submitted, e.g., by crossing-out the listing of the cumulative information.

Paragraph (c) of 37 CFR 1.98 further states that if a written English language translation of a non-English language document, or portion thereof, is within the possession, custody or control of, or is readily available to any individual designated in 37 CFR 1.56(c), a copy of the translation shall accompany the statement. Translations are not required to be filed unless they have been reduced to writing and are actually translations of what is contained in the non-English language information. If no translation is submitted, the examiner will consider the information in view of the concise explanation and insofar as it is understood on its face, e.g., drawings, chemical formulas, English language abstracts, in the same manner that non-English language information in Office search files is considered by examiners in conducting searches.

A(3) Each information disclosure statement must further include a concise explanation of the relevance, as it is presently understood by the individual designated in 37 CFR 1.56(c) most knowledgeable about the content of the information, of each patent, publication, or other information listed that is not in the English language. The concise explanation may be either separate from the specification or incorporated therein.

The requirement for a concise explanation of relevance is limited to information that is not in the English language. The explanation required is limited to the relevance as understood by the individual designated in 37 CFR 1.56(c) most knowledgeable about the content of the information at the time the information is submitted to the Office. If a translation of the information into English is submitted with the foreign language information, no concise explanation is required. There is no requirement for the translation to be verified. Where the information listed is not in the English language, but was cited in a search report by a foreign patent office in a counterpart foreign application, the requirement for a concise explanation of relevance can be satisfied by submitting an English language version of the search report which indicates the degree of relevance found by the foreign office. The requirement for a concise explanation of non-English language information would not be satisfied by a statement that a reference was cited in the prosecution of a parent, related, or copending United States application.

The concise explanation may indicate that a particular figure or paragraph of the patent or publication is relevant to the claimed invention. It might be a simple statement pointing to similarities between the item of information and the claimed invention. It is permissible but not necessary to discuss differences between the cited information and the claims.

Applicants may, if they wish, provide a concise explanation of why English-language information is being submitted and how it is understood to be relevant. Concise explanations are helpful to the Office, particularly where documents are lengthy and complex and applicant is aware of a section that is highly relevant to patentability or where a large number of documents are submitted and applicant is aware that one or more are highly relevant to patentability.

B. Time for Filing

The procedure and requirements for submitting an information disclosure statement are linked to four stages in the processing of a patent application: (1) within three months of filing, or before first Office action, whichever is later; (2) after the period in (1), but before final Office action or a Notice of Allowance, whichever is earlier; (3) after the period in (2) but on or before the issue fee is paid; and (4) after the period in (3) and up to the time the patent application can be effectively withdrawn from issue. The procedures and requirements apply to applications filed under 35 U.S.C. 111 (utility), 161 (plants), 171 (designs), and 251 (reissue), as well as international applications entering the national stage under 35 U.S.C. 371.

The requirements based on the time when the information disclosure statement is filed are summarized as follows:

Time when IDS is filed	37 CFR 1.97 Requirements
(1) Within 3 months of filing or before first Office action on the merits, whichever is later.	None (always considered).
(2) After (1) but before final action or notice of allowance.	Certification or 1.17(p) fee.
(3) After final action or notice of allowance and before payment of issue fee.	Certification, petition, and petition fee.

B(1) Statement filed BEFORE first action on the merits or within three (3) months of actual filing date (37 CFR 1.97(b)).

An information disclosure statement will be considered by the examiner if filed:

- (i) within three months of the filing date of a national application;
- (ii) within three months of the date of entry of the national stage as set forth in 37 CFR 1.491 in an international application; or
- (iii) before the mailing date of a first Office action on the merits, whichever event occurs last. A statement filed within this period requires neither a fee nor a certification of prompt filing.

The term "national application" includes continuing applications (continuations, divisions, continuations-in-part) so three-months will be measured from the actual filing date of an application as apposed to the effective date of a continuing application.

All information disclosure statements that comply with the content requirements of 37 CFR 1.98 and are filed within three months of the filing date will be considered by the examiner, regardless of whatever else has occurred in the examination process up to that point in time. Thus, in the rare instance that a final Office action or a notice of allowance is prepared and mailed prior to a date which is three months from the filing date, any information contained in a complete information disclosure statement filed within that three-month window will be considered by the examiner.

Likewise, an information disclosure statement will be considered if it is filed later than three months after the filing date but before the mailing date of a first Office action on the merits. An action on the merits means an action which treats the patentability of the claims in an application, as opposed to only formal or procedural requirements. An action on the merits would, for example, contain a rejection or indication of allowability of a claim or claims rather than just a restriction requirement (37 CFR 1.142) or just a requirement for additional fees to have a claim considered (37 CFR 1.16(d)). Thus, if an application was filed on Jan. 1 and the first Office action on the merits was not mailed until six months later on July 1, the examiner would be required to consider any proper information disclosure statement filed prior to July 1.

An information disclosure statement will be considered to have been filed on the day it was received in the Office, or on an earlier date of mailing if accompanied by a properly executed certificate of mailing under 37 CFR 1.8, or Express Mail certificate under 37 CFR 1.10. An Office action is mailed on the date indicated in the Office action.

B(2) Statement filed after B(1), but BEFORE mailing of final action or Notice of Allowance (37 CFR 1.97(c)).

An information disclosure statement will be considered by the examiner if filed after the period specified in B(1) above, but before the mailing date of either

- a final action under 37 CFR 1.113 or
- a notice of allowance under 37 CFR 1.311,

whichever occurs first, provided: (1) the statement is accompanied by either a certification as specified in 37 CFR 1.97(e) or (2) the fee set forth in 37 CFR 1.17(p). If a final action or notice of

allowance is mailed in an application and later withdrawn, the application will be considered as not having had a final action or notice of allowance mailed for purposes of considering an information disclosure statement.

(i) If information submitted during the period set forth in 37 CFR 1.97(c) with a certification is used in a new ground of rejection on unamended claims, the next Office action will not be made final since in this situation it is clear that applicant has submitted the information to the Office promptly after it has become known and the information is being submitted prior to a final determination on patentability by the Office. However, the information submitted with a certification can be used in a new ground of rejection and the next Office action made final. If the new ground of rejection was necessitated by amendment of the application by applicant. Where the information is submitted during this period with a fee, the examiner may use the information submitted, e.g., printed publication or evidence of public use, and make the next Office action final whether or not the claims have been amended, provided that no other new ground of rejection which was not necessitated by amendment to the claims is introduced by the examiner. See MPEP 706.07(a). If a new ground of rejection is introduced that is neither necessitated by an amendment to the claims nor based on the information submitted with the fee set forth in 37 CFR 1.17(p), the Office action shall not be made final.

(ii) A certification under 37 CFR 1.97(e) must state either

(a) that each item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application not more than three months prior to the filing of the statement, or

(b) that no item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application or, to the knowledge of the person signing the certification after making reasonable inquiry, was known to any individual designated in 37 CFR 1.56(c), more than three months prior to the filing of the statement.

A certification can contain either of two statements. One statement is that each item of information in an information disclosure statement was cited in a communication, such as a search report, from a patent office outside the U.S. in a counterpart foreign application not more than three months prior to the filing date of the statement. Under this certification, it does not matter whether any individual with a duty of disclosure actually knew about any of the information cited before receiving the search report. The date on the communication by the foreign patent office begins the three-month period in the same manner as the mailing of an Office action starts a three-month shortened statutory period for response. The date starting the three-month period is not the date the communication was received by a foreign associate or the date it was received by a U.S. registered practitioner. Likewise, the statement will be considered to have been filed on the date the statement was received in the Office, or on an earlier date of mailing if accompanied by a properly executed certificate of mailing under 37 CFR 1.8, or Express Mail certificate under 37 CFR 1.10.

The term counterpart foreign patent application means that a claim for priority has been made in either the U.S. application or a foreign application based on the other, or that the disclosures of the U.S. and foreign patent applications are substantively identical (e.g., an application filed in the European Patent Office claiming the same U.K. priority as claimed in the U.S. application).

In the alternative, a certification can be made if no item of information contained in the information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application and, to the knowledge of the person signing the certification after making reasonable inquiry, neither was it known to any individual having a duty to disclose more than three months prior to the filing of the statement.

The phrase "after making reasonable inquiry" makes it clear that the individual making the certification has a duty to make

reasonable inquiry regarding the facts that are being certified. The certification can be made by a registered practitioner who represents a foreign client and who relies on statements made by the foreign client as to the date the information first became known. A registered practitioner who receives information from a client without being informed whether the information was known for more than three months, however, cannot make the certification without making reasonable inquiry. For example, if an inventor gave a publication to the attorney prosecuting an application with the intent that it be cited to the Office, the attorney should inquire as to when that inventor became aware of the publication and should not submit a certification under 37 CFR 1.97(e)(2) to the Office until a satisfactory response is received. The certification can be based on present, good faith knowledge about when information became known without a search of files being made.

Certification need not be in the form of an oath or a declaration under 37 CFR 1.68. Certification by a registered practitioner or any other individual that the statement was filed within the three-month period of either first citation by a foreign patent office or first discovery of the information will be accepted as dispositive of compliance with this provision in the absence of evidence to the contrary. For example, a certification could read as follows:

"I hereby certify that each item of information contained in this information disclosure statement was cited in a communication from a foreign patent office in a counterpart foreign application not more than three months prior to the filing of this statement.", or

"I hereby certify that no item of information in the Information Disclosure Statement filed herewith was cited in a communication from a foreign patent office in a counterpart foreign application or, to my knowledge after making reasonable inquiry, was known to any individual designated in 37 CFR 1.56(c) more than three months prior to the filing of this Information Disclosure Statement."

An information disclosure statement may include two list and two certifications, similar to the above examples, in situations where some of the information listed was cited in a communication from a foreign patent office not more than three months prior to filing the statement and some was not, but was not known more than three months prior to filing the statement.

A copy of the foreign search report need not be submitted with the certification, but an individual may wish to submit an English-language version of the search report to satisfy the requirement for a concise explanation where non-English language information is cited. The time at which information "was known to any individual designated in 37 CFR 1.56(c)" is the time when the information was discovered in association with the application even if awareness of the materiality came later. The Office wishes to encourage prompt evaluation of the relevance of information and to have a date certain for determining if a certification can properly be made. A statement on information and belief would not be sufficient. Examiners should not remind or otherwise make any comment about an individual's duty of candor and good faith, but questions about the adequacy of any certification received in writing by the Office should be directed to the Office of the Assistant Commissioner for Patents.

B(3) Statement filed after B(2), but Prior to Payment of Issue Fee (37 CFR 1.97(d)).

An information disclosure statement will be considered by the examiner if filed after the mailing date of either a final action under 37 CFR 1.113 or a notice of allowance under 37 CFR 1.311, whichever occurs first, but before or simultaneous with payment of the issue fee, provided the statement is accompanied by:

- (i) a certification as specified in 37 CFR 1.97(e) (see the discussion in B(2)(ii) above),
- (ii) a petition requesting consideration of the information disclosure statement, and
- (iii) the petition fee set forth in 37 CFR 1.17(i)(1).

These requirements are appropriate in view of the late stage of prosecution when the information is being submitted, i.e., after the examiner has reached a final determination on the patentability of the claims presented for examination. The petition should be directed to the Group Director of the examining group handling the application. The petition need do nothing more than request consideration of the information being submitted. Payment of the petition fee (37 CFR 1.17(i)(1)) and submission of the appropriate certification (37 CFR 1.97(e)) are the essential elements for having information considered at this advanced stage of prosecution.

The requirements of 37 CFR 1.97 provide for consideration by the Office of information which is submitted within a reasonable time, i.e., within 3 months after an individual designated in 37 CFR 1.56(c) becomes aware of the information or within 3 months of the information being cited in a communication from a foreign patent office in a counterpart foreign application. This undertaking by the Office to consider information would be available throughout the pendency of the application until the point where the patent issue fee was paid. If an applicant chose not to comply, or could not comply, with the requirements of 37 CFR 1.97(d), a continuing application could be filed to have the information considered by the examiner. The parent application could be permitted to become abandoned by not paying the issue fee required in the Notice of Allowance, for example, or by the filing of a file wrapper continuing application under 37 CFR 1.62. It would not be proper to make final a first Office action in the continuing application if the information submitted is used in a new ground of rejection.

B(4) Statement filed after Payment of Issue Fee.

After the issue fee has been paid on an application, it is impractical for the Office to attempt to consider newly submitted information. Information disclosure statements filed after payment of the issue fee in an application will not be considered but will merely be placed in the application file. See C below. The application may be withdrawn from issue at this point, however, pursuant to 37 CFR 1.313(b)(5) so that the information can be considered in a continuing application. In this situation, a file wrapper continuing application under 37 CFR 1.62 could be filed even though the issue fee had already been paid. The Office will consider the filing of a petition under 37 CFR 1.313(b)(5) as sufficient grounds to waive the requirement that an application under 37 CFR 1.62 be filed before payment of the issue fee. Alternatively, for example, a petition pursuant to 37 CFR 1.313(b)(3) could be filed if applicant states that one or more claims are unpatentable. This statement that one or more claims are unpatentable over the information must be unequivocal. A statement that a serious question as to patentability of a claim has been raised, for example, would not be acceptable to withdraw an application from issue under 37 CFR 1.313(b)(3).

If an application has been withdrawn from issue under one of the provisions of 37 CFR 1.313(b)(1)-(4), it will be treated as though no notice of allowance had been mailed and the issue fee had not yet been paid with regard to the time for filing information disclosure statements. Petitions under 37 CFR 1.313(b) should be directed to the Office of Petitions in the Office of the Assistant Commissioner for Patents.

B(5) Extensions of Time (37 CFR 1.97(f))

No extensions of time for filing an information disclosure statement are permitted under 37 CFR 1.136(a) or (b). If a bona fide attempt is made to comply with the content requirements of 37 CFR 1.98, but part of the required content is inadvertently omitted, additional time may be given to enable full compliance.

C. Examiner Handling of Information Disclosure Statements

Information disclosure statements will be reviewed for compliance with the requirements of 37 CFR 1.97 and 1.98 as discussed in A and B above. Applicant will be notified of compliance and non-compliance with the rules as discussed below.

C(1) Non-complying statements

Pursuant to 37 CFR 1.97(i), submitted information, filed before the grant of a patent, which does not comply with 37 CFR

1.97 and 1.98 will be placed in the file, but will not be considered by the Office. Information submitted after the grant of a patent must comply with 37 CFR 1.501.

(i) If an information disclosure statement does not comply with the requirement based on the time of filing the statement as discussed in B above, including the requirements for fees and/or certification, the statement will be placed in the application file, but none of the information will be considered by the examiner. The examiner may use form paragraph 6.49 which is reproduced below to inform applicant that the information has not been considered. Applicant may then file a new information disclosure statement or correct the deficiency in the previously filed statement but the date of that the statement or correction is filed will be the date of the statement for purposes of determining whether the requirements based on the time of filing the statement (37 CFR 1.97) have been complied with.

The examiner should write "not considered" on an information disclosure statement where none of the information listed complies with the requirements, e.g., no copies of listed items submitted. The paper containing the disclosure statement or list will be placed in the record in the application file. The examiner will inform applicant that the information has not been considered and the reasons why by using form paragraph 6.49. If the improper citation appears as part of another paper, e.g., an amendment, which may be properly entered and considered, the portion of the paper which is proper for consideration will be considered.

6.49 Information Disclosure Statement Not Considered

The information disclosure statement filed [1] fails to comply with the provisions of MPEP 609 because [2]. It has been placed in the application file, but the information referred to therein has not been considered as to the merits.

Examiner Note:

See MPEP 609 for situations where use of this paragraph would be appropriate.

(ii) If an information disclosure statement complies with the requirements based on the time of filing the statement as discussed in B above, including the requirements for fees and/or certification, but part of the content requirements as discussed in A above has been inadvertently omitted, the examiner may set a one-month time period to correct the omission. Form paragraph 6.51 may be used for this purpose.

6.51 Time Limit for Completing Information Disclosure Statement

The Information Disclosure Statement filed on [1] does not comply with the requirements of 37 CFR 1.98 because [2]. Since the submission appears to be bona fide, but through an apparent oversight or inadvertence failed to comply with the necessary requirements, applicant is required to complete the statement within a time limit of one month from the date of this letter. NO EXTENSION OF THIS TIME LIMIT MAY BE GRANTED UNDER EITHER 37 CFR 1.136(a) OR (b). Failure to comply with this notice will result in the Information Disclosure Statement being placed in the application file with the non-complying information not being considered.

Examiner Note:

This practice does not apply where there has been a deliberate omission of some necessary part of an information disclosure statement or where the requirements based on the time of filing the statement as set forth in 37 CFR 1.97 have not been complied with.

If a statement fails to comply with requirements as discussed in this section for an item of information, that item of information in the statement will not be considered and a line should be drawn through the citation to show that it has not been considered. However, other items of information that do comply with all the requirements will be considered by the examiner.

If information is listed in the specification rather than in a separate paper, or if the other content requirements as discussed

in A above are not complied with, the examiner will notify applicant in the next Office action that the information has not been considered. It should be noted, however, that no copy of a U.S. patent application is required to be submitted. See A(2)(iii) above. Where a U.S. patent application is properly cited, the examiner should obtain access to that file within the Office.

C(2) Complying Statements

The information contained in information disclosure statements which comply with both the content requirements as discussed in A above and the requirements based on the time of filing the statement as discussed in B above will be considered by the examiner.

Applicants, patent owners, reexamination requesters, protestors and others are encouraged to use form PTO-1449, "Information Disclosure Citation," when preparing an information disclosure statement. A copy of this form is reproduced in this section to indicate how the form should be completed. This form will enable persons to comply with the requirements to list each item of information being submitted and to provide the Office with a uniform listing of citations and with a ready way to indicate that information has been considered.

Examiners must consider all citations submitted in conformance with the rules and this section and place their initials adjacent the citations on a list or in the boxes provided on a form PTO-1449. If the citations are submitted on a list other than on a form PTO-1449, the examiner may write "all considered" and his or her initials to indicate that all citations have been considered. If any of the citations are considered, a copy of the submitted list or form, as reviewed by the examiner, will be returned to the applicant with the next communication. The original copy of the form will be entered into the application file. The copy returned to applicant will serve both as acknowledgement of receipt of the information disclosure statement and as an indication that the references were considered by the examiner. Forms PTO-326 and PTOL-37 include a box to indicate the attachment of form PTO-1449.

Information which complies with requirements as discussed in this section but which is in a non-English language will be considered in view of the concise explanation submitted (A(3) above) and insofar as it is understood on its face, e.g., drawings, chemical formulas, in the same manner that non-English language information in Office search files is considered by examiners in conducting searches. The examiner need not have the information translated unless it appears to be necessary to do so. The examiner will indicate that the non-English language information has been considered in the same manner as consideration is indicated for information submitted in English. The examiner should not require that a translation be filed by applicant. The examiner should not make any comment such as that the non-English language information has only been considered to the extent understood, since this fact is inherent.

Since information is required to be listed in a separate paper rather than in the specification, there is no need to mark "All checked" or "Checked" in the margin of a specification containing citations.

If a statement fails to comply with the requirements as discussed in this section for an item of information, a line should be drawn through the citation to show that it has not been considered. The other items of information listed that do comply with the rules and this section will be considered by the examiner and will be appropriately initialed.

D. Information Printed on Patent

A citation listed on form PTO-1449 and considered by the examiner in accordance with this section will be printed on the patent. A citation listed in a separate paper, equivalent to but not on form PTO-1449, and considered by the examiner in accordance with this section will be printed on the patent if the list is on a separate sheet which is clearly identified as an information disclosure statement and the list lends itself to easy capture of the necessary information by the Office printing contractor, i.e., each item of information is listed on a single line, the lines are at

least double-spaced from each other, the information is uniform in format for each listed item, the list includes a column for the examiner's initials to indicate that the information was considered. If a citation is not printed on the patent but has been considered by the examiner in accordance with this section, the patented file will reflect that fact as noted in C(2) above.

[1138 OG 37]

(113) **Extensions of Time
in Reexamination Proceedings**

This notice is intended to clarify extension of time practice as it relates to reexamination proceedings, and supplement the provisions of Section 2265 of the Manual of Patent Examining Procedure (MPEP).

The provisions of 37 CFR 1.136(a) and (b) are NOT applicable to reexamination proceedings under any circumstances. Public Law 97-247 amended 35 U.S.C. 41 to authorize the Commissioner to charge fees for extensions of time to take action in an "application". A reexamination proceeding does not involve an "application". 37 CFR 1.136 authorizes extensions of the time period only in an application in which an applicant must respond or take action. There is neither an "application", nor an "applicant" involved in a reexamination proceeding.

Requests for an extension of time to file a patent owner's statement under 37 CFR 1.530 or respond to any Office action in a reexamination proceeding must be filed under 37 CFR 1.550(c). These requests for an extension of time will be granted only for sufficient cause and must be filed on or before the day on which action by the patent owner is due. In no case will mere filing of a request for extension of time automatically effect any extension. Although the appeal provisions of 37 CFR 1.192(a), 1.197(b), and 1.304(a) set time periods applicable to reexamination as well as application proceedings, they also include a further proviso making these time periods subject to the extension provisions of 37 CFR 1.136. However, for the reasons set forth above, the extension provisions of 37 CFR 1.136 are limited to application proceedings and do not apply to reexamination proceedings. Therefore, any request for an extension of time in a reexamination proceeding to file a brief or reply brief, a request for reconsideration or rehearing, or a notice and reasons of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action, will be considered under the provisions of 37 CFR 1.550(c). The regulations setting a time period in which any of these actions must be taken set a time for reply within the meaning of 37 CFR 1.550(b), which time can be extended under 37 CFR 1.550(c).

The extension-of-time practice in reexamination proceedings in which a final Office action has been mailed continues to be reflected in MPEP Section 2265. That is, the after-final practice in reexamination proceedings did not change Oct. 1, 1982, and the automatic extension of time policy for response to a final rejection and associated practice are still in effect in reexamination proceedings.

Extensions of time for a requester of a reexamination, who is not the patent owner, are available only in rare circumstances. A request for an extension of the time period to file a petition from the denial of a request for reexamination can only be entertained by filing a petition under 37 CFR 1.183 with appropriate fee to waive the time provisions of 37 CFR 1.515(c). No extensions will be permitted to the two-month time for filing a reply by the requester under 37 CFR 1.535. This two-month period is set by statute (35 U.S.C. 304) and cannot be extended.

GERALD J. MOSSINGHOFF,
Commissioner of Patents
and Trademarks.

Feb. 17, 1983.

[1028 OG 18]

(114) **Clarification of Reexamination Practice
and Change in Reexamination Certificate Wording**

I. Clarification of Reexamination Practice.

This notice is intended to clarify the options open to the patent owner in a reexamination proceeding when an allowable dependent claim depends from a rejected or cancelled patent claim.

A. Leave dependent claim in dependent form.

It is unnecessary in a reexamination proceeding to rewrite an allowable dependent patent claim in independent form when the dependent patent claim depends from a rejected or cancelled patent claim. The allowable dependent patent claim may remain in the printed format as it appears in the patent even though the patent claim upon which it is dependent is cancelled. Since the original patent claim numbers are not changed in a reexamination proceeding the content of the cancelled base patent claim would remain in the printed patent and would be available to be read as a part of the allowed dependent patent claim. If a new claim (a claim other than a claim appearing in the patent) has been later cancelled, a claim which depends thereon will be rejected as incomplete and must be rewritten. New claims which depend from a rejected or cancelled patent claim do not have to be rewritten. If the patent owner elects to leave a dependent claim (original or new) in dependent form when the independent patent claim is rejected or cancelled, the reexamination certificate would indicate (1) that the patentability of an allowed unamended dependent patent claim "is confirmed" or (2) that a new dependent claim is "determined to be patentable". The independent patent claim (cancelled or rejected at the time of the issuance of the reexamination certificate) would be indicated as "cancelled". Note that if the dependent patent claim which is left in dependent form is amended (e.g., correction of a misspelled word) the certificate would indicate the claim "to be patentable as amended". The independent patent claim is considered to be incorporated by reference in the dependent claim even though the independent claim is cancelled from the patent by the certificate.

B. Combine claims into independent claim.

It is also permissible for the patent owner to amend either the dependent or independent patent claim to incorporate the subject matter of the other. If the patent owner elects to rewrite one of the dependent or independent claims to include the subject matter of the other and cancel the other claim, the rewritten claim would be indicated on the certificate as being "patentable as amended". The other claim which was cancelled would be indicated on the certificate as "cancelled".

C. Present new claim and cancel patent claims.

It is also permissible for the patent owner to present a new claim incorporating the subject matter of the independent and dependent patent claims and cancel the independent and dependent patent claims. In this case the certificate would indicate "new claim is added and determined to be patentable". The cancelled independent and dependent patent claims would be indicated as "cancelled".

NOTE: This Practice Applies Only to Reexamination and Does Not Change Current Practice Relating to Original and Reissue Applications

II. Change in Reexamination Certificate Wording.

The Office is also modifying the language of reexamination certificates directed to claims that are cancelled (for any reason) by dropping the language "having been finally determined to be unpatentable" since the existing language may not be accurate in all cases and since the patent and reexamination files are open to the public and the record speaks for itself. The certificate will merely state such a claim "is cancelled". This change will be effective with the July 17, 1984, Official Gazette issue.

DONALD J. QUIGG,
Deputy Commissioner of
Patent and Trademarks.

June 14, 1984.

[1044 O.G. 11]

(115) **Reexamination Litigation Policy**

This notice is intended to set forth the PTO's current policy and guidelines relating to reexamination practice when the patent undergoing reexamination has been or concurrently is involved in litigation. This policy results from the decision of the

U.S. Court of Appeals for the Federal Circuit in *Ethicon v. Quigg* 849 F.2d 1142, 7 USPQ 2d 1152 (Fed. Cir. 1988). The Court's decision sets forth the principle that the "special dispatch" provision of the reexamination statute requires the PTO to continue its examination of claims in reexamination proceedings without stays even if there is court litigation involving allegations of invalidity of the patent under reexamination. More particularly, the Court held that the only circumstances under which the PTO may discontinue a reexamination are when a district court finds the claims under reexamination to be invalid and that decision is either upheld on appeal or not appealed, i.e., final." Accordingly, the following policy and guidelines will be followed in order to implement the principles set forth in the *Ethicon* decision where reexamination and related litigation are present.

I. Stay of Reexamination

The Court held that the PTO's previous policy, set forth in 37 CFR 1.565(b) and MPEP 2286, of staying a reexamination proceeding when a trial on the merits starts in related litigation conflicts with the statutory requirement for "special dispatch." 35 U.S.C. §305. Accordingly, the previous policy of the Office of *sua sponte* staying a reexamination proceeding upon the start of the trial in related litigation has been rescinded. The reexamination will continue concurrently with the pending litigation notwithstanding the stage of the litigation.

II. Issuance of Court Decision During Reexamination

A non-final district court decision concerning a patent under reexamination shall have no binding effect on a reexamination proceeding.

The issuance of a final district court decision upholding validity during a reexamination also will have no binding effect on the examination of the reexamination. This is because the Court states in *Ethicon* that the PTO is not bound by a court's holding of patent validity and should continue the reexamination. The Court notes that district courts and the PTO use different standards of proof in determining invalidity and thus on the same evidence could quite correctly come to different conclusions. Specifically, invalidity in a district court must be shown by "clear and convincing" evidence, whereas in the PTO it is sufficient to show nonpatentability by a "preponderance" of evidence. Since the "clear and convincing" standard is harder to satisfy than the "preponderance standard," deference will ordinarily be accorded to the factual findings of the court where the evidence before the PTO and the court is the same. If the sufficient reasons are present, claims held valid by the court may be rejected in reexamination.

On the other hand, the Court states that a final holding of invalidity is binding on the PTO and the reexamination may be discontinued. Upon the issuance of a holding of claim invalidity or unenforceability by a district court, reexamination of those claims will continue in the PTO until the court's decision becomes final. Upon the issuance of a final holding of invalidity or unenforceability, the claims held invalid or unenforceable will be withdrawn from consideration in the reexamination. The reexamination will continue as to any remaining claims. If all of the claims are finally held invalid or unenforceable, the reexamination will be vacated as no longer containing a substantial new question of patentability.

III. Initial Determination of a Substantial New Question of Patentability

When the initial question as to whether the prior art raises a substantial new question of patentability as to a patent claim is under consideration, the existence of a final court decision of claim validity in view of the same or different prior art does not necessarily mean that no new question is present, in view of the different standards of proof employed by the district courts and the PTO. Thus, while the PTO may accord deference to factual findings made by the court, the determination of whether a substantial new question of patentability exists will be made independently of the court's decision on validity as it is not controlling on the PTO. A non-final holding of claim invalidity or unenforceability will not be controlling on the question of

whether a substantial new question of patentability is present. A final holding of claim invalidity or unenforceability, however, is controlling on the PTO. In such cases a substantial new question of patentability would not be present as to the claims held invalid or unenforceable.

Identification of Current Stays

The PTO is currently attempting to identify all reexamination proceedings which are currently stayed pursuant to concurrent litigation in order to lift the stays. To assist the PTO, the patent owner in any such stayed reexamination proceeding should alert the PTO of the stayed proceeding and request that the stay be lifted. Any third party requester may alert the PTO of a stayed proceeding in a notice of litigation under 37 CFR 1.565(a).

Jan. 18, 1989

DONALD J. QUIGG
Assistant Secretary and
Commissioner of Patents
and Trademarks

[1099 OG 16]

(116) Using Certificate of Correction to Perfect Claim for Priority Under 35 USC 119

Under 35 USC 119, an applicant may assert a right of priority and claim the benefit of an earlier filing date in a foreign country. In this regard, 35 USC 119 states:

No application for patent shall be entitled to this right or priority unless a claim therefor and a certified copy of the original foreign application, specification and drawings upon which it is based are filed in the Patent and Trademark Office before the patent is granted. . . .

The failure to perfect a claim to foreign priority benefits prior to issuance of the patent may be cured by filing a reissue application; *Brenner v. State of Israel*, 158 USPQ 584 (CA DC 1968).

However, under certain conditions, this failure may also be cured by filing a Certificate of Correction request under 35 USC 255 and 37 CFR 1.323. For example, in the case of *In re Van Esdonk*, 187 USPQ 671 (Comr. 1975), the Commissioner granted a request to issue a Certificate of Correction in order to perfect a claim to foreign priority benefits. In that case, a claim to foreign priority benefits had not been filed in the application prior to issuance of the patent. However, the application was a continuation of an earlier application in which the requirements of 35 USC 119 had been satisfied. Accordingly, the Commissioner held that the "applicants' perfection of a priority claim under 35 USC 119 in the parent application will satisfy the statute with respect to their continuation application."

Although *In re Van Esdonk* involved the patent of a continuation application filed under 37 CFR 1.60, it is proper to apply the holding of that case in similar factual circumstances to any patented application having benefits under 35 USC 120. This is primarily because a claim to foreign priority benefits in a continuing application, where the claim has been perfected in the parent application, constitutes in essence a mere affirmation of the applicant's previously expressed desire to receive benefits under 35 USC 119 for subject matter common to the foreign, parent, and continuing applications.

In summary, a Certificate of Correction under 35 USC 255 and 37 CFR 1.323 may be requested and issued in order to perfect a claim to foreign priority benefits in a patented continuing application if the requirements of 35 USC 119 had been satisfied in the parent application prior to issuance of the patent and the requirements of 37 CFR 1.55(a) are met.

However, a claim to foreign priority benefits cannot be perfected via a Certificate of Correction if the requirements of 35 USC 119 had not been satisfied in the patented application, or its parent, prior to issuance and the requirements 37 CFR 155(a) are not met. In this latter circumstance, the claim to foreign priority benefits can be perfected only by way of a reissue application in accordance with the rationale set forth in *Brenner v. State of Israel*, supra.

July 25, 1986.

RENE D. TEGTMEYER,
Assistant Commissioner
for Patents.

[1069 OG 38]

(117) **Supplemental Guidelines for The
Implementation of 37 CFR 1.109—
Reasons for Allowance**

A recent review of recorded statements of reasons for allowance indicates the need for a better understanding regarding implementation of new Rule 109 (37 CFR 1.109).

These guidelines are supplemental to those published in the *Official Gazette* at 957 O.G. 11 on April 12, 1977 and amplified in Section 1302.14 MPEP, Rev. 52, April 1977.

In determining whether reasons for allowance should be recorded the primary consideration lies in the first sentence of the Rule.

"If the examiner believes that the record of the prosecution as a whole does not make clear his reasons for allowing a claim or claims, the examiner may set forth such reasoning." (Emphasis added.)

In most cases the examiner's actions and the applicant's response make evident the reasons for allowance, satisfying the "record as a whole" proviso of the rule. This is particularly true when applicant fully complies with 37 CFR 1.111(b) and (c), 37 CFR 1.119 and 37 CFR 1.133(b). Thus where the examiner's actions clearly point out the reasons for rejection and the applicant's response explicitly represents reasons why claims are patentable over the reference, the reasons for allowance are in all probability evident from the record and no statement should be necessary. Conversely, where the record is not explicit as to reasons, but allowance is in order, then a logical extension of 37 CFR 1.111, 1.119 and 1.133 would dictate that the examiner should make reasons of record and such reasons should be specific.

Where specific reasons are recorded by the examiner, care must be taken to insure that such reasons are accurate, precise and do not place unwarranted interpretations, whether broad or narrow, upon the claims. The examiner should keep in mind the possible misinterpretations of his statement that may be made and its possible estoppel effects. Each statement should include at least: (1) the major difference in the claims not found in the prior art of record, and (2) the reasons why that difference is considered to define patentably over the prior art if either of these reasons for allowance is not clear in the record. The statement is not intended to necessarily state all the reasons for allowance or all the details why claims are allowed and should not be written to specifically or impliedly state that all the reasons for allowance are set forth.

Under the rule, the examiner must make a judgement of the individual record to determine whether or not reasons for allowance should be set out in that record. These guidelines, then, are intended to aid the examiner in making that judgement. They comprise illustrative examples as to applicability and appropriate content. They are not intended to be exhaustive.

*Examples of When It Is Likely That a Statement Should Be
Added to the Record*

1. Claims are allowed on the basis of one (or some) of a number of arguments and/or affidavits presented and a statement is necessary to identify which of these were persuasive, for example:

- a. When the arguments are presented in an appeal brief.
- b. When the arguments are presented in an ordinary response with or without amendment of claims.
- c. When both an affidavit under 37 CFR 1.131 and arguments under 102 and 103 are presented.

2. First action issue:

- a. Of non-continuing application wherein claims are very close to cited prior art and differences have not been discussed elsewhere.

- b. Of continuing applications wherein reasons for allowance are not apparent from the record in the parent case or clear from preliminary filled matters.

3. Withdrawal of a rejection for reasons not suggested by applicant, for example:

- a. As a result of an appeal conference.
- b. When applicant's arguments have been misdirected or are not persuasive alone and the Examiner comes to realize that more cogent argument is available.
- c. When claims are amended to avoid a rejection under 35 USC 102 but arguments (if any) fail to address the question of obviousness.

4. Allowance after remand from the Board of Appeals.

5. Allowance coincident with the citation of newly found references that are very close to the claims, but claims are considered patentable thereover:

- a. When reference is found and cited (but not argued) by applicant.
- b. When reference is found and cited by Examiner.

6. Where the reasons for allowance are of record but in the Examiner's judgement, are unclear (e.g. spread throughout the file history) so that an unreasonable effort would be required to collect them.

7. Allowance based on claim interpretation which might not be readily apparent, for example:

- a. Article claims in which method limitations impart patentability.
- b. Method claims in which article limitations impart patentability.
- c. Claim is so drafted that "non-analogous" art is not applicable.
- d. Preamble or functional language "breathes life" into claim.

Examples of Statements of Suitable Content

1. The primary reason for allowance of the claims is the inclusion of .03 to .05 percent nickel in all the claims. Applicant's second affidavit, in example 5 shows unexpected results from this restricted range.
2. During two telephonic interviews with applicant's attorney, Mr.—on 5/6 and 5/10/77, the Examiner stated that Applicant's remarks about the placement of the primary teaching's grid member were persuasive, but he pointed out that applicant did not claim the member as being within the reactor. Thus, an amendment doing such was agreed to.
3. The instant application is deemed to be directed to an unobvious improvement over the invention patented in Pat. No. 3,953.224. The improvement comprises baffle means 12 whose effective length in the extraction tower may be varied so as to optimize and to control the extraction process.
4. Upon reconsideration, this application has been awarded the effective filing date of S.N. Thus the rejection under 35 USC 102(d) and 103 over Belgian Patent No. 757,246 is withdrawn.
5. The specific limitation as to the pressure used during compression was agreed to during the telephone interview with applicant's attorney. During said interview, it was noted that applicants contended in their amendment that a process of the combined applied teachings could not result in a successful article within the amended pressure range. The Examiner agreed to rely on this statement (see page 3, bottom, of applicant's amendment), and the case was allowed.
6. In the Examiner's opinion, it would not be obvious to a person of ordinary skill in the art first to eliminate one of top members 4, second to eliminate plate 3, third to attach remaining member 4 directly to tube 2 and finally to substitute this modified handle for the handle 20 of Nania (see Fig. 1) especially in view of applicant's use of term "consisting."

*Examples of Statements That Are Not Suitable
as to Content*

1. The 3 roll press couple has an upper roll 36 which is swingably adjustable to vary the pressure selectively against either of the two lower rolls. (Note: The significance of this statement may not be clear if no further explanation is given.)
2. The main reasons for allowance of these claims are applicant's remarks in the appeal brief and an agreement reached in the appeals conference.
3. The instant composition is a precursor in the manufacture of melamine resins. A thorough search of the prior art did not bring forth any compositions which corresponds to the instant compositions. The Examiner in the art also did not know of any art which could be used against the instant composition.
4. Claims 1-6 have been allowed because they are believed to be both novel and unobvious.

The examiner should *not* include in his statement any matter which does not relate directly to the reasons for allowance. For example:

5. Claims 1 and 2 are allowed because they are patentable over the prior art. If applicants are aware of better art than that which has been cited, they are required to call such to the attention of the Examiner.
6. The reference Jones discloses and claims an invention similar to applicant's. However, a comparison of the claims, as set forth below, demonstrates the conclusion that the inventions are non-interfering.

WILLIAM FELDMAN,
*Deputy Assistant Commissioner
for Patents.*

Jan. 24, 1978.

[968 O.G. 6]

(118) Microorganisms—Patentable Subject Matter

The decision of the Supreme Court in *Diamond v. Chakrabarty* (206 U.S.P.Q. 193) held that microorganisms produced by genetic engineering are not excluded from patent protection by 35 U.S.C. § 101. It is clear from the Supreme Court decision that the question of whether or not an invention embraces living matter is irrelevant to the issue of patentability.

Accordingly, the Patent and Trademark Office is now examining patent applications including claims to microorganisms which had been under suspension. Assuming that the products involved were the result of human intervention and were not products of nature, such claims will not be rejected under 35 U.S.C. § 101 as directed to unpatentable subject matter.

SIDNEY A. DIAMOND,
*Commissioner of Patents
and Trademarks.*

July 29, 1980.

[1997 O.G. 24]

**(119) Department of Commerce
Patent and Trademark Office****Designation of International Depository Authorities
under the Budapest Treaty**

The Budapest Treaty and the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure came into force on Aug. 19, 1980 with respect to the United States, Bulgaria, France, Hungary, and Japan. A copy of the Treaty was published in the *Official Gazette* on Aug. 23, 1977 (961 O.G. 21-26).

This Treaty authorizes each State for which the Treaty is in effect to designate a depository on its territory to serve as an international depository authority. More than one depository

may be designated. Each such depository will be authorized to receive and store deposits, and dispense samples thereof, in compliance with the Treaty and the patent laws of each State adhering thereto. The Treaty is open for adherence by any member State of the Paris Union for the Protection of Industrial Property.

The Commissioner of Patents and Trademarks hereby solicits requests from private and public depositories located in the United States to serve as international depository authorities. Requests should be addressed to: Sidney A. Diamond, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Each request must explain and, to the extent practicable, provide evidence of the depository's capacity to meet the obligations of the Treaty. Such request must also include an offer by the depository to assume the cost of transferring deposits made under the Treaty to another international depository authority in the event of default of any of its Treaty obligations. The availability of funds for such transfer, if needed, must be available through a bond, special reserve fund, escrow or other means judged suitable by the Commissioner.

Requests will be promptly evaluated by the Commissioner of Patents and Trademarks, and each requesting depository promptly notified of the decision reached. Questions or inquiries concerning this notice may be addressed to the Office of Legislation and International Affairs, at the following address: Box 4, Commissioner of Patents and Trademarks, Washington, D.C. 20231. The telephone number of the Office of Legislation and International Affairs is (703) 557-3065.

The World Intellectual Property Organization, in Geneva, Switzerland, the Secretariat for the Paris Union, has provided a memorandum explaining the role and obligations of international depository authorities. This memorandum is reproduced below for the guidance of depositories in requesting recognition as an international depository authority.

Memorandum

*For the purposes of prospective international depository
authorities under the Budapest Treaty*

Introduction

1. This memorandum contains informations for the benefit of any depository institutions (culture collections) that may wish to become "international depository authorities" under the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (done at Budapest on Apr. 28, 1977). Its brevity is such that it cannot be exhaustive. Any interested person requiring full information should refer to the relevant provisions of the Budapest Treaty and the Regulations under it (any reference hereinafter to an "Article" or to a "Rule" is a reference to an Article of the Budapest Treaty or to a Rule of the Regulations under it).

Objectives of the Budapest Treaty

2. Disclosure of the invention is a generally recognized requirement for the grant of patents (for the purposes of this memorandum, the word "patent" also covers other titles of protection, such as inventors' certificates). Normally, an invention is disclosed by means of a written description. Where an invention involves the use of a microorganism that is not available to the public, such a description is not sufficient for disclosure, since the invention could not be used by a person skilled in the art. That is why in the patent procedure of an increasing number of countries it is necessary not only to file a written description but also to deposit, with a depository institution, a sample of the microorganism. When protection for the invention is sought in several countries, the complex and costly procedures of the deposit of the microorganism might have to be repeated in each of those countries. The objective of the Budapest Treaty is precisely to obviate such multiple deposits: under the Treaty a single deposit with one "international depository authority" is sufficient for the purposes of patent procedure before the industrial property offices of all Contracting States, and of inter-governmental organizations granting regional patents which have declared that they recognize the effects of the Treaty (Articles 3(1)(a) and 9(1)(a)).

General Remarks on International Depositary Authorities

3. "International depositary authorities" are depositary institutions that have acquired the status of international depositary authorities. To obtain this status, a depositary institution has to be located on the territory of a Contracting State or of a member State of one of the organizations referred to in the preceding paragraph, and has to benefit from "assurances" furnished by that Contracting State or organization to the effect that the institution complies and will continue to comply with the requirements referred to in paragraph 5 below (Article 6(1)). The action for acquiring this status is taken by the State or organization concerned (Article 7 and Rule 3). There is nothing to prevent it from making more than one depositary institution acquire such status: it is therefore possible for there to be several international depositary authorities located on the territory of one and the same State.

4. An international depositary authority can lose its status either entirely (in which case "termination of status" is spoken of) or partly, in other words in respect of certain types of microorganisms only (in which case "limitation of status" is spoken of). Loss of the status occurs if the State or organization whose action brought about the acquisition of the status denounces the Treaty or withdraws the declaration of recognition of the effects of the Treaty (in which case the loss of status can only be total), or if the State or organization withdraws its assurances regarding the international depositary authority, or again by virtue of a decision of the Assembly of Contracting States taken at the request of another Contracting State or another organization (Articles 8, 9(4) and 17(4); Rule 4).

Requirements Which Have to be Met by International Depositary Authorities

5. The requirements referred to in paragraph 3 above which a depositary institution has to meet in order to become a depositary authority are the following (Article 6(2) and Rule 2):

(a) The institution has to have a continuous existence. It has to be impartial and objective—which means among other things that it has to be free of any dependence on interests that are liable to prejudice the disinterested performance of its functions—and it has to be available, for the deposit of microorganisms, to any depositor under the same conditions. These requirements, which in fact seem self-evident, are designed to give the public in general and depositors in particular fundamental guarantees of reliability as to the smooth operation of the system. On the other hand, the legal status of the institution is irrelevant: it may be either public or private.

(b) The institution has to have the necessary staff and facilities to perform its scientific and administrative tasks, which consist among other things in:

(i) accepting for deposit any or certain kinds of microorganisms;

(ii) examining the viability of the microorganisms deposited with it and issuing a receipt to the depositor and any required viability statement (see paragraphs 7 and 8 below);

(iii) storing the deposited microorganism for at least 30 years (Rule 9(1)) in such a way as to keep them viable and uncontaminated;

(iv) providing for sufficient safety measures to minimize the risk of losing the deposited microorganisms,

(v) complying with respect to the microorganisms deposited under the Treaty with the requirement of secrecy which means giving no information to anyone on the question whether a microorganism has been thus deposited and giving no information to anyone (except to a person who is entitled to a sample—see paragraph 10 below) on any microorganism thus deposited (Rule 9(2));

(vi) furnishing, rapidly and in an appropriate manner, samples of the deposited microorganisms to all those who are entitled to such samples (see paragraph 10 below).

Handling of Microorganism Deposits by the International Depositary Authority

6. *Reception of the microorganism.* The international depositary authority may require that the microorganism be deposited

in an appropriate form and quantity, and that it be accompanied by a form established by that authority. In such a case, the said authority has to communicate its requirements (and any amendments to them) to the International Bureau in order that the latter may communicate them to all the depositors concerned (Rules 6.3 and 13.2(b)(v)). When it receives the microorganism, the international depositary authority notes the date of receipt of the deposit and gives it an accession number (Rule 7.3(iii) and (v)). It issues a receipt to the depositor attesting the receipt and acceptance of the deposit (Rule 7). The model of the international form for the receipt, the use of which will be mandatory, will be established by the Director General of WIPO and communicated to all international depositary authorities.

7. *Viability test.* The international depositary authority promptly tests the viability of the microorganism; it also undertakes viability tests at reasonable intervals, depending on the kind of microorganism and its possible storage conditions, or at any time, if necessary for technical reasons or at the request of the depositor (Rule 10.1).

8. *Viability statement.* The international depositary authority issues a statement concerning the viability of the microorganism to the depositor or to any person receiving a sample of the microorganism (see paragraph 10 below) (Rule 10.2). The model of the international form for the viability statement, the use of which is mandatory, will be established by the Director General of WIPO and communicated to all international depositary authorities.

9. *Storage of the microorganism.* The international depositary authority stores the microorganism for a period of at least 30 years after the date of its deposit, or until five years have elapsed without its having received a request for a sample, the period expiring later being applicable (Rule 9.1). It complies with the requirement of secrecy at all times (see paragraph 5(v) above). Where it cannot furnish samples of the deposited microorganism for any reason, it notifies the depositor of the fact, indicating the reason and informing him that he is entitled to make a new deposit (Article 4).

10. *Furnishing of samples.* The Regulations contain detailed provisions specifying who is entitled to receive samples of the microorganism, and when (Rule 11). The depositor himself is entitled to receive a sample at any time. He may authorize third parties to have samples furnished to them, whereupon the third parties receive a sample on presentation of their authorizations. Any industrial property office to which the Treaty applies may receive a sample on request if it needs the microorganism for the purposes of a patent procedure. Any other person may obtain a sample on request if an industrial property office to which the Treaty applies certifies that, under the applicable law, that person has a right to a sample of the microorganism concerned; the Regulations specify in detail the certification procedure. The use of a form (whose contents will be established by the Assembly and communicated by the International Bureau to all international depositary authorities) is mandatory for the request and certification. There is an alternative procedure whereby the industrial property office from time to time communicates to international depositary authorities lists of the accession numbers given to the deposit of the microorganisms referred to in the patents granted and published by it; the effect of this communication is to authorize those authorities to furnish samples of the microorganisms to anyone. It should be stressed that it follows from the foregoing that the international depositary never has to decide itself whether it has the right to furnish a sample since it only does so if it has the authorization of the depositor or of an industrial property office. The international depositary authority furnishes the sample in a container marked with the accession number given to the deposit and accompanied by a copy of the receipt for the deposit. It notifies the depositor of the furnishing of the sample.

11. *Communication of the scientific description and/or proposed taxonomic designation.* If the depositor has indicated a scientific description and/or proposed a taxonomic designation of the deposited microorganism, the international depositary authority must communicate it, on request, to any person entitled to receive a sample of the said microorganism (Rule 7.6).

12. *Fees.* For the procedure under the Treaty and the Regulations, the international depositary authority has the right to charge a fee in certain cases (specified in Rule 12.1). The two main fees are the fee for the storage of the microorganism (which is a single fee for the entire period of storage) and the fee for

the furnishing of a sample (the furnishing of samples to industrial property offices is free of charge, however). The international depositary authority fixes the amounts of fees at its discretion, but they must not vary on account of the nationality or residence of the persons who have to pay them.

July 14, 1978.

SIDNEY A. DIAMOND,
*Commissioner of Patents
and Trademarks.*

[999 O.G. 2]

(120) Entry Into Force of the Budapest Treaty

The Patent and Trademark Office announces the entry into force on Aug. 19, 1980 of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure with respect to the United States, Hungary, Bulgaria, France and Japan. A copy of the Treaty was published in the *Official Gazette* on Aug. 23, 1977 (961 O.G. 21-36).

Following entry into force of the Treaty, each state adhering or acceding thereto will be authorized to nominate depositories on its territory to serve as international depositary authorities. Upon compliance with certain procedural steps set forth in the Treaty, each such depositary will be designated an international depositary authority.

No depositary in the United States or elsewhere has yet been nominated or designated to serve as an international depositary authority. It is expected, however, that some depositories will shortly be designated both in the United States and other States adhering to the Treaty. Public notice will be provided of the designation of each international depositary authority and its requirements for patent deposits.

An application for a patent in any adhering States involving the action of a microorganism, for which a deposit is required, may make the required deposit in any international depositary authority. The fact and date of making the deposit will be recognized for all patent purposes in each State adhering to the Treaty. No further deposit will be required for national patent processing or enforcement, provided a deposit is properly made under the provisions of the Treaty.

An application for a United States patent will not be required to proceed under the provisions of the Budapest Treaty, however. Such an applicant may rely instead on a deposit made in any depositary meeting the requirements set forth in *In re Argoudelis, et al.*, 168 USPO 99 (CCPA, 1970) and reprinted in section 608.01(p), Manual of Patent Examining Procedure.

Questions or information regarding the Budapest Treaty may be directed to the Office of Legislation and International Affairs, at the following address: Box 4, Commissioner of Patents and Trademarks, Washington, D.C. 20231. The telephone number of the Office of Legislation and International Affairs is (703) 557-3065.

July 14, 1980.

SIDNEY A. DIAMOND,
*Commissioner of Patents and
Trademarks.*

July 16, 1980.

JORDAN J. BARUCH,
*Assistant Secretary for
Productivity, Technology and Innovation.*

[997 O.G. 10]

(121) Department of Commerce Patent and Trademark Office Recognition of United States Depositary as an International Depositary Authority Under the Budapest Treaty

As provided in Article 7 of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, the United States announces recognition of the American Type Culture Collection, Rockville,

Md., as an international depositary authority. The communication of the Director General of the World Intellectual Property Organization according to this recognition as of Jan. 31, 1981 follows:

Dec. 30, 1980.

SIDNEY A. DIAMOND,
*Commissioner of Patents
and Trademarks.*

BUDAPEST Notification No. 11

Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure

*Communication of the United States of America
Relating to the Acquisition of the Status
of International Depositary Authority by the
American Type Culture Collection*

The Director General of the World Intellectual Property Organization (WIPO) presents his compliments to the Minister for Foreign Affairs and has the honor to notify him of the receipt, on Nov. 17, 1980, of a written communication from the Government of the United States of America, relating to the American Type Culture Collection, indicating that the said depositary institution is located on the territory of the United States of America and including a declaration of assurances to the effect that the said institution complies and will continue to comply with the requirements concerning the acquisition of the status of international depositary authority as specified in Article 6(2) of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, done at Budapest on Apr. 28, 1977.

The American Type Culture Collection will acquire the status of international depositary authority under the said Treaty as from Jan. 31, 1981, the date of publication of the said communication in the Jan. 1981 issue of *Industrial Property/La Propriete industrielle* (see Article 7(2) of the said Treaty).

Dec. 3, 1980.

[1002 O.G. 116]

(122) Request for Certification of Deposits Made Under the Budapest Treaty

Deposits of microorganisms made in International Depositary Authorities are subject to the regulations of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure. Rule 11.3(a) of the Treaty regulations establishes a procedure by which an industrial property office shall assure the depositary that release of a sample is proper. Pursuant to the Treaty, the United States Patent and Trademark Office receives requests for certification that release of a sample of a deposited microorganism is proper under United States law. Effective immediately, all such requests for certification shall be directed to the Director, Patent Examining Group 120, United States Patent and Trademark Office, who has been delegated the authority to act on requests for certification under Rule 11.3(a) of the Budapest Treaty regulations.

Sept. 4, 1987.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1083 OG 5]

(123) Department of Commerce Patent and Trademark Office [Docket No. 910235-1173]

Agency: Patent and Trademark Office, Commerce.
Action: Notice.

Notice of Termination of Status of International Depository Authority under Budapest Treaty

Summary: Notice is hereby given that In Vitro International, Inc.'s status as an international depository is terminated effective Sept. 25, 1991.

Address: Questions should be submitted to H. Dieter Hoinkes, Office of Legislation and International Affairs, Box 4, Patent and Trademark Office, Washington, D.C. 20231.

For Further Information Contact: H. Dieter Hoinkes, Office of Legislation and International Affairs, (703) 557-3065.

Supplementary Information: Since Nov. 30, 1983, In Vitro International, Inc. (IVI) of Linthicum, Maryland, has been recognized as an international depository authority under the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure. The Patent and Trademark Office has received a letter from Dr. Rex A. D'Agostino, President of IVI, dated May 24, 1991, stating that IVI can no longer continue to perform its functions as an international depository authority under the Budapest Treaty.

By letter dated June 25, 1991, the Patent and Trademark Office has notified the Director General of the World Intellectual Property Organization that "the United States withdraws its declaration of assurances made on behalf of IVI on Sept. 9, 1983". As a consequence, the termination of the status of IVI as an international depository authority takes effect on Sept. 25, 1991.

All deposits stored with IVI under the Budapest Treaty were transferred on June 20, 1991, to a substitute authority, which is the American Type Culture Collection (ATCC), 12301 Parklawn Dr., Rockville, Md., 20852, (Telephone No. (301) 881-2600). All mail or other communications addressed to IVI regarding those deposits, including all files and other relevant information, have also been transferred to ATCC. In its capacity as a substitute authority, ATCC has agreed to store all deposits transferred from IVI for an initial period of not less than three months from July 5, 1991, the date of first notice in the Federal Register of IVI's termination as an international depository authority. Patent owners and applicants who wish to preserve their date of original deposit must contact ATCC by Oct. 5, 1991, to make arrangements to pay ATCC's fee for continued maintenance and storage of their deposits past the initial storage period. ATCC will not accept responsibility for continued storage of deposits in respect of which depositors have failed to make appropriate arrangements by Oct. 5, 1991.

For further information, contact H. Dieter Hoinkes, Office of Legislation and International Affairs, Box 4, Patent and Trademark Office, Washington, D.C. 20231; telephone (703) 557-3065.

July 10, 1991

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1129 OG 21]

(124)

**DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Part I
[Docket No. 70635-9174]
RIN: 0651-AA13**

Deposit of Biological Materials for Patent Purposes

Agency: Patent and Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office (Office) is amending its rules of practice in patent cases to define procedures to govern the deposit of biological materials for patent purposes. Where an invention is or relies on a biological material which cannot be described in writing alone, and access to the biological material is necessary to satisfy the statutory requirements for patentability under 35 U.S.C. 112, these rules prescribe the procedures and conditions for making a deposit that will satisfy these requirements. These rules also prescribe examining procedures that will be used to address deposit issues, and the procedures pertaining to access to a deposit once a patent is granted.

Effective Date: January 1, 1990.

For Further Information Contact: Charles E. Van Horn or Harris A. Pitlick by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information:

Every patent must contain a written description of the invention sufficient to enable a person skilled in the art to which the invention pertains to make and use the invention. Where the invention involves a biological material and words alone cannot sufficiently describe how to make and use the invention in a reproducible or repeatable manner, access to the biological material is necessary for the satisfaction of the statutory requirements for patentability under 35 U.S.C. 112. The rules set forth examining procedures and conditions of deposit which must be satisfied in the event a deposit is required to provide the necessary access. The rules do not address the substantive issue of whether a deposit is required under any particular set of facts.

These rules will be effective for all applications filed on or after January 1, 1990, and for all reexamination proceedings in which the request for reexamination was filed on or after January 1, 1990, except that deposits made prior to the effective date which are acceptable under current practice will be acceptable in such applications and proceedings. Since most of the provisions reflect existing policy and practice, little change to existing practice or burden on applicants for patent and patent owners relying on the deposit of biological material is anticipated. Applicants and patent owners are encouraged to comply with these rules prior to the effective date.

The final rules on the deposit of biological materials for patent purposes have evolved over several years of actual experience in administering the guidelines set forth in Section 608.01(p) of the Manual of Patent Examining Procedure, including several administrative and judicial decisions, and interaction with interested public, bar and industry groups. A draft policy statement on the deposit of biological materials was circulated among interested bar and industry groups and published in the BNA-Patent, Trademark and Copyright Journal on May 22, 1986. An advance notice of proposed rulemaking setting forth rules being considered for deposits of biological material was published in the *Federal Register*, 52 FR 34080 (September 9, 1987), and in the *Official Gazette*, 1082 O.G. 47 (September 29, 1987). Finally, a notice of proposed rulemaking relating to the deposit of biological materials for patent purposes was published in the *Federal Register* 53 FR 39420 (October 6, 1988), and in the *Official Gazette*, 1095 O.G. 47 (October 25, 1988).

In this notice of final rulemaking, a description of the changes in the text of the proposed rules is provided along with an explanation of the reasons supporting the changes. In addition, comments received in response to the notice of proposed rulemaking are analyzed. Finally, an explanation of the content of the final rules is provided, together with a compilation of relevant comments and responses that have been made during the rulemaking process. This explanation and compilation of previous comments and responses will serve as a set of guidelines that will be reproduced in the Manual of Patent Examining Procedure in due course.

Changes in Text of Proposed Rules

Several changes have been made in the text of the final rules from the text of the proposed rules which were published for comment in the notice of proposed rulemaking. Those changes are discussed below.

Section 1.200 as proposed has been renumbered as § 1.801 as adopted and the term "patent purposes" as proposed has been replaced with the term "purposes of patents for inventions under 35 U.S.C. 101" as adopted to clarify that the regulations pertaining to the deposit of biological material do not apply for purposes other than patents for inventions. Thus, these regulations are not applicable to applications for plant patents under 35 U.S.C. 161-164.

Section 1.201 as proposed has been renumbered as § 1.802 as adopted and the term "or Opportunity" in the heading thereof has been inserted after "Need" to reflect the permissive nature of a deposit when not necessary to satisfy 35 U.S.C. 112.

Paragraph (a) thereof as proposed provided that where a claimed invention is or relies on a biological material, the disclosure may include a deposit of the biological material

deposited in a depository and under conditions complying with these regulations, provided a precondition was satisfied. The precondition was that the biological material not be known and readily available to the public and not be describable in writing alone. Paragraph (a) as adopted eliminates this precondition, does not require that the biological material be, or be used for, a claimed invention, does not require that the deposit be made in a depository and under conditions complying with these regulations, and more accurately states that the disclosure may include reference to a deposit, since the deposit is not physically part of the disclosure. Paragraph (a) as adopted merely provides that where an invention is, or relies on, a biological material, the disclosure may include reference to a deposit of such biological material.

Paragraph (b) of § 1.802 prescribes that biological material need not be deposited unless access to the material is necessary to satisfy 35 U.S.C. 112. If a deposit is necessary, it shall be acceptable if made in accordance with these regulations. Proposed paragraph (b) made no reference to 35 U.S.C. 112. Situations where a biological material is known and readily available to the public or can be made or isolated without undue experimentation are now listed as some, but not an exhaustive set, of the circumstances where deposit need not be made. The term "from known and readily available material" has been dropped from the end of the term "can be made or isolated without undue experimentation" as redundant. Paragraph (b) as adopted also prescribes that once deposited in a depository complying with these regulations, a biological material will be considered to be readily available even though some requirement of law or regulation permits access only under conditions imposed for safety, public health or similar reasons. Proposed paragraph (b) did not include the condition of deposit in a depository complying with these regulations.

Proposed paragraph (c) thereof was limited to reference to a specific organism or other biological material in a specification disclosure as not creating a presumption that the material was necessary to satisfy 35 U.S.C. 112 or that a deposit thereof is required. Paragraph (c) as adopted eliminates the term "specific organism or other" as redundant and also includes the act of deposit by an applicant or patent owner as not creating a presumption that the deposit is or was required.

Section 1.202 as proposed has been renumbered as § 1.803 as adopted.

Paragraph (a) thereof as proposed prescribed that a deposit shall be made in any International Depository Authority (IDA) or any other depository recognized as suitable by the Office. Paragraph (a) as adopted now specifies that such deposits shall be recognized for the purpose of these regulations so as not to preclude deposits made for other reasons such as a gratuitous disclosure. Paragraph (a)(2) as adopted eliminates the requirement in the proposed rule that impartial consultants be from the biotechnology industry or governmental agencies. Paragraph (a)(2) as adopted also contains new sub-subparagraph (vii) as a requirement which a suitable depository must meet, viz., that it promptly notify depositors of its inability to furnish samples, and the reasons why. This requirement appeared, in essence, in proposed § 1.204(a).

Proposed paragraph (b) thereof has not been adopted. Replacement of deposits is governed solely by § 1.805, *infra*.

Proposed paragraph (c) thereof has been adopted as paragraph (b). In subparagraph (2) thereof, "(b)" has been changed to "(a)(2)" to correct an inadvertent error in the proposed rule.

Proposed paragraph (d) thereof has been adopted as paragraph (c) except that the reference to paragraph (a) has been changed to paragraph (a)(2) to more clearly delineate which category of depository is intended to be covered by this paragraph of § 1.803 and all references to other paragraphs whose designations have been changed by adoption of these rules have been changed accordingly.

Proposed paragraph (e) thereof has been adopted as paragraph (d).

Section 1.203 as proposed has been renumbered as § 1.804 as adopted.

Paragraph (a) thereof prescribed that an original deposit of a biological material may be made before filing an application for patent or, pursuant to a requirement that will be made by the examiner no later than the date the Notice of Allowance and Issue Fee Due is mailed, during pendency of the application for patent. Paragraph (a) as adopted adds a precondition to

making an original deposit that the biological material be specifically identified in the application as filed. Since proposed paragraph (a) did not address original deposits made during the pendency of an application that were not made pursuant to a requirement of an examiner, the rule as adopted states that original deposits may be made during pendency of an application for patent, subject to § 1.809, *infra*, which prescribes, *inter alia*, when during the pendency of an application for patent a deposit shall be made when made pursuant to a requirement by the examiner.

Paragraph (b) thereof as proposed required a statement that, for an original deposit made after the effective filing date of an application for patent, the biological material deposited was the same biological material described in the application as filed. Paragraph (b) as adopted substitutes the word "a" for the word "the" since more than one biological material may be referred to in the application as filed, drops the word "same" and requires the statement that the biological material deposited is a biological material specifically identified in the application as filed.

Section 1.204 as proposed has been renumbered as § 1.805 as adopted and a reference to supplemental deposits has been added to the heading thereof. Paragraphs (a) and (b) of the section as proposed have been substantially rewritten as paragraphs (a), (b) and (c). New elements have been added and some eliminated, although some elements of the proposed rule on replacement deposits have been adopted, either with similar language or different language.

Elements of the proposed rule on replacement deposits which have not been adopted include a requirement that replacement deposits be made or be made within a specific time limit. Ramifications in Office proceedings from not making a replacement deposit, or in the case of a patent, not diligently making a replacement deposit, are stated.

A requirement in the proposed section that depositories promptly notify depositors of an inability to furnish samples has been adopted as § 1.803(a)(2)(vii), *supra*.

Paragraph (a) of § 1.805 requires a depositor, after receiving notice during the pendency of an application for patent, application for reissue patent or reexamination proceeding, that the depository possessing a deposit either cannot furnish samples thereof or can furnish samples thereof but the deposit has become contaminated or has lost its capability to function as described in the specification, to notify the Office in writing, in each application for patent or patent affected. In such a case, or where the Office otherwise learns, during the pendency of an application for patent, application for reissue patent or reexamination proceeding, that the depository possessing a deposit either cannot furnish samples thereof or can furnish samples thereof but the deposit has become contaminated or has lost its capability to function as described in the specification, the need for making a replacement or supplemental deposit will be governed by the same considerations governing the need for making an original deposit under the provisions set forth in § 1.802(b). A replacement or supplemental deposit made during the pendency of an application for patent shall not be accepted unless it meets the requirements for making: an original deposit under these regulations, including the requirement set forth under § 1.804(b). A replacement or supplemental deposit made in connection with a patent, whether or not made during the pendency of an application for reissue patent or a reexamination proceeding or both, shall not be recognized by the Office unless a certificate of correction under § 1.323 is requested by the patent owner which meets the terms of paragraphs (b) and (c) of this section. The proposed rules did not provide for certificates of correction relating to replacement or supplemental deposits.

Paragraph (b) of § 1.805 prescribes that a request for certificate of correction under this section shall not be granted unless the certificate identifies the accession number for the replacement or supplemental deposit; the date of the deposit; and the name and address of the depository.

Paragraph (c) of § 1.805 prescribes that a certificate of correction under this section shall not be granted unless the request therefor is made promptly after the replacement or supplemental deposit has been made and includes a verified statement of the reason for making the replacement or supplemental deposit; a verified statement from a person in a position to corroborate the fact, and shall state, that the replacement or supplemental deposit is of a biological material which is identical to that

originally deposited; a verified showing that the patent owner acted diligently - in the case of a replacement deposit, in making the deposit after receiving notice that samples could no longer be furnished from an earlier deposit, or in the case of a supplemental deposit, in making the deposit after receiving notice that the earlier deposit had become contaminated or had lost its capability to function as described in the specification; a verified statement that the term of the replacement or supplemental deposit expires no earlier than the term of the deposit being replaced or supplemented; and otherwise establishes compliance with these regulations, except that if the person making one or more of the required statements or showing is an attorney or agent registered to practice before the Office, that statement or showing need not be verified.

Paragraph (d) of § 1.805 prescribes that a depositor's failure to replace a deposit, or in the case of a patent, to diligently replace a deposit and promptly thereafter request a certificate of correction which meets the terms of paragraphs (b) and (c) of this section, after being notified that the depository possessing the deposit cannot furnish samples thereof, shall cause the application or patent involved to be treated in any Office proceeding as if no deposit were made.

Paragraph (e) as adopted is identical to proposed paragraph (d) except that the word "the" before "patent" has been replaced with "a" because the term "the patent" had no antecedent basis, and the term "according to these regulations" has been inserted after the word "replaced" to make it clear that the rebuttable presumption according to this paragraph applies only where the replacement deposit has been made according to these regulations.

Paragraph (f) as adopted is substantially similar to proposed paragraph (e) with respect to an applicant's ability to make a replacement for any reason during the pendency of an application for patent. Paragraph (f) extends such applicant's ability to supplemental deposits as well. The first two sentences of proposed paragraph (e) prescribing when a replacement deposit shall be made while an application is still pending and that an applicant notify the Office when a replacement deposit is necessary have been adopted in § 1.805(a), *supra*.

Paragraph (g) as adopted is identical to proposed paragraph (f) except that supplemental deposits are also included and the reference to another section therein has been changed to reflect its renumbering.

Paragraph (h) as adopted is substantially similar to proposed paragraph (g) except for two changes. One is that the word "the" before "biological material" has been changed to "a" because the term "the biological material" had no antecedent basis. The other change is replacement of the term "viable deposit is in the depository" with the term "depository can furnish samples thereof". The term "in the depository" was not clear. The word "viable" before "deposit" would have excluded biological materials not capable of reproduction either directly or indirectly. For biological materials which are so capable of reproduction, samples of viable deposits thereof which become non-viable cannot be furnished by the depository.

Paragraph (i) as adopted modifies paragraph (h) as proposed. Whereas the proposed rule proscribed a patentee from replacing a viable deposit where the depository can furnish samples, the rule as adopted states that the Office will not recognize in any Office proceeding a replacement deposit of a biological material made by a patent owner where the depository could furnish samples of the deposit being replaced.

Section 1.205 as proposed has been renumbered as § 1.806 as adopted. The proposed rule had set the term of deposit as, *inter alia*, at least thirty years after the date of a viable deposit. The rule as adopted sets the thirty-year term to begin after a deposit, before or during pendency of an application for patent, is made. The term of a deposit made by a patent owner is not prescribed. However, § 1.805(a), *supra*, prescribes that a replacement or supplemental deposit made in connection with a patent will not be recognized in any Office proceeding unless a certificate of correction under § 1.323 is requested by the patent owner which meets the terms of paragraphs (b) and (c) of § 1.805, one of which terms is a verified statement by the patent owner that the term of the new deposit expires no earlier than the term of the deposit being replaced or supplemented. An additional change in the rule as adopted is the replacement of the term "deposited biological material" with the word "deposit" since the former term had no antecedent basis.

Section 1.206 as proposed has been renumbered as § 1.807 as adopted. The rule as adopted is identical to the rule as proposed except for the reference to a rule which has been renumbered.

Section 1.207 as proposed has been renumbered as § 1.808 as adopted.

In paragraph (a) thereof, first word, "The" as proposed has been replaced with "A" because "The" had no antecedent basis.

In view of the non-adoption of proposed § 1.207(c), *infra*, paragraph (a)(2) as adopted refers to only paragraph (b), not paragraphs (b) and (c).

Paragraph (b)(1) as proposed permitted a depositor to require, *inter alia*, that a depository furnish samples only if a request for a sample is in writing and signed.

Paragraph (b) as adopted permits a depositor to require a request to be in writing or other tangible form. The signing requirement, however, has not been adopted.

Paragraph (b)(3) as proposed permitted a depositor to require, *inter alia*, that a depository furnish the depositor with a copy of the request. This requirement has not been adopted.

Paragraph (c) as proposed has not been adopted.

Paragraph (d) as proposed, with one change, has been adopted as paragraph (c). The change is the insertion of the term "made to the Office" after the term "Upon request" to make it clear that certification imposes no burden on a depository.

Section 1.208 as proposed has been renumbered as § 1.809 as adopted.

The term "required" when referring to "deposit" in proposed paragraphs (a), (b) and (c) thereof has been changed to "needed" as adopted for purposes of consistency with § 1.802. The term "in case one has not been made, or" as proposed in paragraph (a) has been replaced with "and if needed," as adopted for purposes of clarification. The statement as proposed that a deposit accepted in any acceptable depository under § 1.202(a) shall be accepted for patent purposes if made under conditions complying with § 1.207(a) has not been adopted. The statement is redundant in view of the provision in § 1.802(b) as adopted that a deposit necessary for the satisfaction of 35 U.S.C. 112 shall be acceptable if made in accordance with these regulations. Since the question of deposits may come up in reissue applications and reexamination proceedings as well as in applications for patents, paragraph (a) as adopted covers examination of all such applications and proceedings. Paragraph (a) as adopted also refers to supplemental deposits since issues of the need for a supplemental deposit may arise where a deposit has lost its capability to function as described in the specification. Paragraph (a) as proposed prescribed that affected claims would be rejected in an Office action. Paragraph (a) as adopted drops "in an Office action" and instead prescribes that the claims would be rejected "where appropriate."

Paragraph (b)(1) as proposed was limited to applicants. Paragraph (b)(1) as adopted covers applicants for patents and patent owners involved in specified Office proceedings. The provision for applicants for patents in paragraph (b)(1) as adopted is identical to the provision for applicants in paragraph (b)(1) as proposed except for the additional adoption of a reference to supplemental deposits. Paragraph (b)(1) as adopted additionally provides for patent owners responding to a rejection under paragraph (a) of this section by requesting a certificate of correction of the patent which meets the terms of paragraphs (b) and (c) of § 1.805.

Paragraph (b)(2) as proposed has not been adopted. Subparagraph (3) has therefore been renumbered as (2) and the reference therein to paragraph (b)(2) has been eliminated. Two additions have been made. One, since the question of deposit may come up in connection with a reissue application or reexamination proceeding, the term "or patent" has been inserted after "application" in the first sentence. Two, since paragraph (a) provides for a rejection under 35 U.S.C. 112 when a deposit actually made cannot be accepted, it is considered an appropriate response that a deposit actually made should be accepted. Thus, the term "and/or why a deposit actually made should be accepted" has been inserted at the end of the first sentence of paragraph (b)(2) as adopted.

Paragraph (c) as proposed has been adopted except that the term "for patent" has been inserted after "application" in the first sentence to make it clear that this paragraph does not apply to other applications, such as applications for reissues. Additionally, the word "the" before the proposed term "required

deposit" has been changed to "a" because the term "the required deposit" had no antecedent basis. Finally, the term "37 CFR" preceding "1.136" in the proposed rule has been replaced with "\$" as adopted to be consistent with standard nomenclature.

Paragraph (d)(3) as proposed required a taxonomic description of the deposit. Paragraph (d)(3) as adopted requires a description of the deposited biological material sufficient to specifically identify it and to permit examination. Paragraphs (d)(1), (d)(2), (d)(3) and (d)(4) have otherwise been adopted except for the addition of prefatory articles "The" or "A".
Response to and Analysis of Comments

Written comments from sixteen (16) sources were received in response to the notice of proposed rulemaking. Some suggestions made in comments have been adopted as presented or in modified form and others have not been adopted. A detailed analysis of the comments follows.

Comment: The proposed rule numbers, except § 1.200, are the same as those of the old interference rules, and it appears to be Office practice to normally avoid using rule numbers which end in "00," especially for a rule, viz., § 1.200, which is the first of a group of rules. The rules, if adopted, should have different numbers.

Response: The suggestion has been adopted. Proposed §§ 1.200 through 1.208 have been renumbered as §§ 1.801 through 1.809 as adopted, respectively.

Comment: Two comments ask whether the rules will apply retroactively. One comment suggests that they should and further, that the benefits provided for depositors in proposed §§ 1.207(b) and (c) take effect immediately so that those patent applicants who would benefit from them will be encouraged not to delay in filing or obtaining a patent until a final rule takes effect.

Response: To the extent the rules codify existing Office practice, they are already effective. Otherwise, the rules will be effective in applications for patent or for reissue of patent filed on or after January 1, 1990, and in reexamination proceedings in which the request for reexamination was filed on or after January 1, 1990, except that deposits made prior to the effective date which are acceptable under current practice will be acceptable in such applications and proceedings. Applicants and patent owners are encouraged to comply now with those requirements of the rules not required by existing Office practice.

Comment: A sentence should be added at the end of proposed § 1.200 to clarify that the rule does not preclude the possibility of depositing other biological materials for patent purposes, such as plants per se, even though not within the scope of the term "biological material" as defined by the rule. Adding such a sentence would be consistent with previous concerns expressed to the Office over the possible requirement for deposits with respect to plant patents. With the added sentence, the rule would not address any kind of requirement for deposit in plant patents.

Response: In a response to a comment in the notice of proposed rulemaking, it was stated that the Office did not intend to propose rules on deposits under the Plant Patent Act (35 U.S.C. 161-164) at this time, nor will the Office take the position that a deposit is required under the present provisions of 35 U.S.C. 162. The text of the rule adopted in § 1.801 is the same as proposed in § 1.200 except that the rule now explicitly states that the regulations are for purposes of patents for inventions under 35 U.S.C. 101. Thus, these regulations do not and are not intended to address the question of deposits in plant patent applications.

Comment: One comment suggests that the language in § 1.200 should be expanded to make it clear that other biological materials, such as plants per se, are not precluded from being deposited. Another comment assumes that the Office intends to limit the scope of "biological material" as defined by this rule. The rules and commentary should indicate that the scope and effect of the rules are limited to biological materials as defined in the rules. This rule is acceptable provided it simply defines what constitutes biological material.

Response: None of the suggestions have been adopted. In a response to a comment in the notice of proposed rulemaking, it was stated that biological material is defined in the proposed rule in terms of a non-exhaustive list of what it includes and that no materials were explicitly excluded. The response also stated that the Office does not contemplate that there would be many situations where a material that is not capable of self-

replication either directly or indirectly would be acceptable as a deposit under these regulations but that an applicant was not precluded in any given case from attempting to show why such a material should be acceptable. Plants per se are an example of such materials.

Comment: The proposed rules do not, but should, address a problem associated with marine sponges and other marine macroorganisms. These materials and their natural location can be adequately described so that one skilled in the art could obtain them using the necessary equipment. But their taxonomy is in a developmental stage and scientific names are subject to revision. Deposit and maintenance of these materials in viable form is not practical. They can and have been deposited in non-viable form, preserved or fixated in a suitable non-destructive medium, where their shelf life is expected to be at least 30 years.

Response: See the response to the previous comment. As stated in a response to a comment in the advance notice of proposed rulemaking, the PTO Board of Patent Appeals and Interferences held that a description of the precise geographic location of marine tunicates used in a claimed invention was adequate to satisfy the enablement requirement of 35 U.S.C. 112. *Ex Parte Rinehart*, 10 USPQ2d 1719 (PTO Bd. Pat. App. & Int. 1985). It was also stated in that response that the term "readily" as used in the term "known and readily available" appearing in the proposed rules is considered appropriate to define that degree of availability which would be reasonable under the circumstances. Since the comment states that the subject materials and their natural location can be adequately described so that one skilled in the art could obtain them using the necessary equipment, the disclosure would appear to be sufficient to meet the enablement requirements of 35 U.S.C. 112 without a deposit so long as their degree of availability is reasonable under the circumstances.

Comment: In a response to a comment in the notice of proposed rulemaking which was in response to a solicitation for comments in the advance notice of proposed rulemaking on the setting of an appropriate minimum number of seeds to ensure availability of the seed through the enforceable life of the patent, it was stated that the Office does not intend to propose rules quantifying a minimum number of seeds but that the Office will consider 2500 to be a minimum number in the normal case and will provide an applicant an opportunity to provide justification why a lesser number would be suitable under the circumstances of a particular case. One comment suggests that 2500 may present problems where the normal yield of a plant is only a few seeds. A more reasonable minimum is 1250. Another comment suggests that there be no minimum number but an obligation on the part of the depositor to replace a seed each time one is requested.

Response: Since the Office has stated that an applicant will be provided an opportunity to show why a lesser amount than 2500 seeds would be appropriate in a particular case, the policy of requiring minimum number of 2500 is adhered to. An obligation on the part of the depositor to replace a seed each time one is requested is simply impractical.

Comment: The title of proposed § 1.201 should be changed from "Need to make a deposit" to "Opportunity to make a deposit" since the provision states that "the disclosure may include a deposit of a biological material . . ."

Response: The suggestion has been adopted in part. Since § 1.802 applies to situations both when a deposit may be made (optional) and when a deposit is necessary, the heading of the rule states both need and opportunity in the alternative.

Comment: Proposed § 1.201(a) should state that the disclosure may include reference to a deposit, rather than that the disclosure may include a deposit.

Response: The suggestion has been adopted in § 1.802(a).

Comment: Proposed § 1.201(a) does not clearly permit deposits where conditions enumerated therein do not apply. The proposed rule should be revised by eliminating the requirement that the biological material not be known and readily available to the public before a deposit may be made. The proposed revision would make clear that an applicant has a universal and unconditional right to make a deposit of a biological material whenever the biological material cannot be described in writing alone, regardless of whether the material is known and readily available. The rule as proposed is not consistent with the permissive use of deposits where they might not be mandated. The proposed revision would dispel any suggestion or implication

that the legal standard under which deposits are mandated is that the biological material be neither known nor readily available. Obviously, such materials even if unknown and not readily available might be enabled solely through a written description, rendering deposit unnecessary.

Response: The suggestion has been adopted in § 1.802(a). In addition, the rule as adopted permits deposits even where the biological material can be described in writing alone and even where the claimed invention is not, or does not rely on, the biological material. Section 1.802(a) as adopted permits reference in the disclosure to a deposit of a biological material, the only precondition being that an invention is or relies on that material. The requirement in the proposed rule that the biological material not be known and readily available to the public and not be describable in writing alone, and that the material be, or be used for, the claimed invention, has not been adopted.

Comment: Two comments suggest that § 1.201(a) refer to 35 U.S.C. 112. One comment suggests that § 1.201(a) should make some reference to 35 U.S.C. 112 for completeness. Another comment suggests that proposed § 1.201(a) contains no standard and should thus make reference to 35 U.S.C. 112, for example, by inserting words to the effect that the biological material cannot be described in writing alone to satisfy the requirements of 35 U.S.C. 112.

Response: The suggestions have not been adopted. But see the response to the next comment.

Comment: Proposed § 1.201(b) should be revised by stating that biological material need not be deposited unless necessary for the satisfaction of the statutory requirements of 35 U.S.C. 112. Thus, the rule would state that the ultimate reason for a requirement for a deposit would be to satisfy 35 U.S.C. 112. Further, the rule should state one circumstance, among others, where a biological material need not be deposited, viz., where it is known and readily available to the public or can be made or isolated without undue experimentation. The last sentence of proposed § 1.201(b) should state a precondition that a deposit of the biological material be made in a depository complying with these regulations.

Response: The suggestions have been adopted in § 1.802(b).

Comment: Proposed § 1.201(c) should be revised by stating that the actual deposit of a biological material referred to in a specification disclosure also does not create a presumption that the material is necessary to satisfy 35 U.S.C. 112 or that the deposit is or was required. The proposed revision would recognize that the act of deposit does not and should not constitute an admission by the applicant that the deposit was made because it was necessary to satisfy 35 U.S.C. 112. For example, deposit may be necessary in the United States prior to the time a patent application is filed in order for an applicant to be entitled to assert a priority right under patent laws of a foreign country based on a United States application which makes reference to such deposit. Additionally, applicants ought to be encouraged to make deposits in questionable cases without such act being construed as an admission of any sort.

Response: The suggestion has been adopted in § 1.802(c).

Comment: The term "or other biological material" in proposed § 1.201(c) should be changed to "or any other biological material" to make sure that all biological materials that would normally be considered for deposits are included.

Response: The comment is not understood. Nevertheless, it is moot. The term "specific organism or other biological material" in proposed § 1.201(c) has been changed to "biological material" in § 1.802(c) as adopted.

Comment: Two comments suggest that proposed § 1.202(a)(2) unnecessarily limits who may be consulted in determining the suitability of a depository to be recognized by the Office to those in the biotechnology industry or Government agencies. Views from academia may be wanted. One of the comments suggests, therefore, that the term "from the biotechnology industry or governmental agencies" be deleted from § 1.202(a)(2).

Response: The suggestions have been adopted in § 1.803(a)(2).

Comment: Proposed § 1.202(a) should be revised to state that a deposit shall be recognized for the purposes of these regulations if made in a depository according to subparagraph (1) or (2) thereof. The proposed revision would allow for deposits other than in Office-recognized depositories, but give deposits

in Office-recognized depositories the "safe harbor" advantages of these regulations.

Response: The suggestion has been adopted in § 1.803(a). Simply put, the rules do not prohibit deposits made under any conceivable conditions. The Office will treat a deposit not made according to these regulations, however, as if no deposit had been made.

Comment: The provision set forth in proposed § 1.202(c)(3), i.e., that a depository seeking status under paragraph (a)(2) indicate that it intends to be available, for the purposes of deposit, to any depositor under these same conditions, should also be listed in § 1.202(a)(2), which enumerates the qualifications for a depository seeking recognition as suitable by the Office.

Response: The suggestion is not being adopted. The requirement in proposed § 1.202(a)(2)(v), and § 1.803(a)(2)(v) as adopted, that the depository be impartial and objective, is inclusive of a requirement that it be available, for purposes of deposit, to any depositor under these same conditions.

Comment: One comment suggests that the proposed rules do not adequately define the term "depositor". It could be the inventor, the assignee, one to whom the inventor has an obligation to assign, or the individual who signs the deposit form. In the case of joint inventors with different institutional ties, who is the depositor? Assuming that where the inventor is a university professor, the depositor is the university, deposit in that university's depository would be precluded by proposed § 1.202(a)(2)(ii) and possibly § 1.202(a)(2)(v). An exception should be made for non-profit organizations. They should be allowed to "self-deposit" since it is highly improbable that they would refuse to provide samples to third parties. The availability of a strain from a university was found to satisfy 35 U.S.C. 112 in *Merck and Co., Inc. v. Chase Chemical Co.*, 273 F.Supp. 68, 77, 92, 155 USPQ 139, 146, 159 (D.N.J. 1967). Another comment suggests that it is not clear, where the depositor is a separate, independent division of a particular entity and the depository is another separate, independent division of the same entity, whether this arrangement meets the terms of proposed § 1.202(a)(2)(ii).

Response: None of the suggestions have been adopted. In § 1.803(a)(2)(ii) as adopted, a depository recognized to be suitable by the Office and not otherwise an IDA must exist independent of the control of the depositor. In a response to a comment in the notice of proposed rulemaking, it was stated that the term "depositor" is intended to include the party on whose behalf the deposit is made. It was further stated in that response that the rationale of the Office in requiring that a depository, if not an IDA, be independent of the depositor was adequately discussed in the advance notice of proposed rulemaking. The advance notice stated:

The concept of an independent depository or an IDA as an acceptable depository is based on the need and desire to ensure the safe and reliable storage of a deposited biological material under circumstances that are free of the opportunity for intentional or negligent handling of the deposited material. The use of an independent depository or an internationally recognized depository will tend to preserve the integrity of the deposit process against those that may accidentally alter the deposited material, may wish to tamper with the deposited material or may wish to resume control of its availability when the patent is no longer enforceable, and to preserve the interest of the public in the free access to the biological material for any purpose once the term of the patent expires. Further, while the PTO is constrained to approve independent depositories other than an IDA, the PTO has neither the resources nor capability to assess the individual capability of any party that wishes to act as its own depository. The rules under consideration are intended to minimize depositories that will be found acceptable.

The above discussion applies to non-profit organizations as well as for-profit organizations. Moreover, it is clear from the discussion above that the scope of the term "depositor" is limited only by the requirement that the depositor have no control over the depository. Such a relationship is not necessarily inconsistent with one where there is some legal relationship between depositor and depository. The *Merck* case cited above does not stand for the proposition that a university is necessarily an acceptable depository because it makes available samples of a biological material. In *Merck*, the availability of the biological material from the university was evidence that the biological material was known and readily available. While a deposit by an applicant

in a depository under the applicant's control will not be recognized by the Office as a deposit under these regulations, an applicant is not precluded from showing that the deposited material, by virtue of conditions of public knowledge of unrestricted availability of samples of the deposit, is known and readily available to the public. However, depositors should be aware that relying on such a showing rather than making a deposit according to these regulations involves a risk that the biological material might in the future not be readily available. The university relied on in the Merck case, for example, eventually ceased its practice of making biological materials readily available.

Comment: Proposed § 1.202(b) is intended to apply in the event that a depository ceases to enjoy the status of a recognized depository. The manner of making a substitute deposit in such a situation would not seem to be fully explained by a reference to proposed § 1.204. For example, if a depository were to cease operation, it might not be able to, in the words of proposed § 1.204(a), "promptly after having noted its inability to furnish samples, notify the depositor of such inability". Second, the rule as proposed is difficult to follow. For example, it indicates that a substitute deposit "must be viable if the biological material is of a kind capable of self-replication". The implication that certain deposits might be non-viable is at best confusing in the absence of a definition for viability.

Response: Proposed § 1.202(b) has not been adopted. Section 1.805, the rule as adopted on replacement deposits, puts the burden exclusively on the applicant or patent owner, whatever the case may be, to both make a replacement deposit and make the necessary showing that such a deposit complies with these regulations. Viability is dealt with exclusively by § 1.807 as adopted.

Comment: Three comments suggest that it be a requirement of the rules that the biological material have been in existence at the time of filing the patent application. One comment suggests that a sentence be added to proposed § 1.208(a) to require that the application as filed state that the biological material is in existence. The other comments suggest that proposed § 1.203 require an averment that the deposited biological material was in existence at the time the application was filed.

Response: None of the suggestions have been adopted. Patent law does not require an actual reduction to practice as a condition precedent to filing a patent application. While few, if any, situations can be imagined where the description requirement of 35 U.S.C. 112 can be satisfied where the biological material was not in existence at the time of filing, the rules do not preclude such a situation. *But see* the response to the next comment.

Comment: Proposed § 1.203(a) should require that a biological material may be deposited only if an adequate antecedent basis exists in the specification as filed, i.e., the biological material to be deposited must be specifically identified therein.

Response: The suggestion has been adopted in § 1.804(a). It must be clear from the application as filed that the invention claimed and described in the specification "was fully capable of being reduced to practice (i.e., no technological problems, the resolution of which would require more than ordinary skill and reasonable time, remained in order to obtain an operative, useful process)." *Feldman v. Aunstrup* 517 F.2d 1351, 1355, 186 USPQ 108, 113 (CCPA 1975), *cert. denied*, 424 U.S. 912 (1976). *Accord, In re Lundak*, 773 F.2d 1216, 1221, 227 USPQ 90, 94 (Fed. Cir. 1985).

Comment: Two comments suggest that proposed § 1.203(a) be revised so that it addresses the permissible situation where a deposit is made during the pendency of an application for patent not pursuant to a requirement made by an examiner.

Response: The suggestion has been substantially adopted in § 1.804(a). An original deposit may be made, subject to § 1.809, during pendency of the application for patent. Where § 1.809 does not apply, i.e., where a deposit is ultimately not required, a deposit may be made at any time during pendency.

Comment: The Office should discuss in the commentary accompanying the notice of proposed § 1.203(b) as a final rule the meaning and intent behind the requirement that the deposited biological material be the "same" as the material described in the specification. For example, does the Office contemplate that the statement constitute a representation that the deposited material is in essentially the same form as was in existence at the time of the filing of the patent specification, and, accordingly as specifically described therein?

Response: Proposed § 1.203(b) has been adopted as § 1.804(b) but with the word "same" deleted and the term "described" replaced with "specifically identified." Under § 1.804(b), the biological material deposited must be a biological material specifically identified in the application as filed.

Comment: One comment asks whether a patent which is defective because of the lack of a deposit can be rectified by making the deposit in connection with a reissue application. Another comment points out that the issue of post-grant original deposits is not addressed by these regulations and the Office is urged to comment to this effect in the final promulgation of the rules.

Response: It is assumed from the comment that a deposit was necessary at the time the patent issued. A patent defective because of lack of a necessary deposit is necessarily fatally defective for failure to comply with the first paragraph of 35 U.S.C. 112. Reissue is not available in such cases. *See In re Hay*, 534 F.2d 917, 189 USPQ 790 (CCPA), *cert. denied*, 429 U.S. 977 (1976). Whether reissue is available where a biological material necessary for compliance with 35 U.S.C. 112 was known and readily available at the time of issuance of the patent and subsequently ceased to be readily available is not addressed by this response. Nor do the rules address the question of post-issue original deposits, whether necessary or not to comply with the patent statutes.

Comment: Many comments were received regarding proposed § 1.204 and the subject of replacement deposits. One comment suggests that the time limits in proposed § 1.204(a) for making replacement deposits, specifically as they apply post-grant, are totally arbitrary. For example, a replacement deposit made four months after notice from the depository, without a suitable petition for extension of time, could not be relied on. A number of comments suggest that in proposed § 1.204(a), it is not clear who is required to petition whom in order to obtain an extension of time' in which to make a replacement deposit. A depository is not equipped to deal with the legalities of such matters. If the petition is filed with the Office, there will be administrative burdens. Another comment suggests that instead of specified time limits and petitions for extensions of time, the rule should state that where a patentee makes a replacement deposit, the patentee shall promptly request a certificate of correction identifying the particulars of the replacement deposit and that no such certificate of correction shall be granted unless the request includes, inter alia, a verified showing that the patentee acted diligently in making the replacement deposit. A certificate of correction in providing the particulars of the new deposit (depository and accession number) would provide the simplest and most straightforward vehicle under which the patentee could assure continuing public notice (and accordingly public access) to particular biological materials described in the specification. Corrections to the issued patent would be made subject to all conditions of these deposit regulations and an additional specific requirement that the replacement deposit be made diligently after the notification is received that samples cannot be furnished from the deposit. This generalized requirement of diligence is preferable to the more rigid and cumbersome procedures set forth in the rules as proposed.

Response: The provisions of a three-month time limit for making a replacement deposit and petitioning for extensions of time extend the limit in proposed § 1.204(a) applied by their terms only to patentees or patent owners. These provisions have not been adopted. Except in reexamination and reissue applications, it is beyond the rulemaking authority of the Office to regulate issued patents. Thus, instead of requiring patent owners to make replacement, or supplemental, deposits and to make them within a specified time, or to require them to request certificates of correction, paragraphs (a), (b) and (c) of § 1.805 as adopted specify that a replacement or supplemental deposit made in connection with a patent, whether or not made during the pendency of an application for reissue patent or a reexamination proceeding or both, shall not be recognized in any Office proceeding unless the patent owner requests a certificate of correction under § 1.323 provided certain specified conditions are met, including that the patent owner acted diligently in making the replacement or supplemental deposit and promptly thereafter requested the certificate of correction.

Comment: The rules should indicate that replacement deposits made during the pendency of an application will be treated in

exactly the same way as any other deposit made after the filing date.

Response: The suggestion has been essentially adopted in § 1.805(a) which states, *inter alia*, that a replacement or supplemental deposit made in connection with an application for patent shall be accepted if it meets the requirements for making an original deposit under these regulations, including the requirement set forth under § 1.804(b).

Comment: The rules should address a situation where the deposit is of a non-viable biological material, such as a marine sponge or other marine macroorganism. Filing requests for samples can ultimately consume the entire deposit. Two other comments suggest that a depositor be permitted to charge the requesting party a fee sufficient to cover the cost of replacing the deposit. A competitor could "drain off" the store of deposit and thereby require replacement at significant economic hardship to the depositor.

Response: Where the biological material deposited is capable of self-replication either directly or indirectly, exhaustion of the deposit would appear to be highly unlikely. Regardless of the type of biological material deposited, however, the depositor must assure that samples thereof be available beyond the enforceable life of any patent relying on the material.

Comment: Nothing in the regulations which define the suitability of a depository requires that the depository itself must provide notice to depositors in the event of an inability to furnish samples yet proposed § 1.204(a) does.

Response: The suggestion has been adopted in § 1.803(a)(2)(vii).

Comment: A number of comments suggest that the legal ramifications of an additional deposit made pursuant to proposed § 1.204(h), i.e., made where an earlier deposit has become contaminated or has lost its capability to function as described in the specification, are not clear. Some of the same comments go on to suggest that the deposit provided for in § 1.204(h) be termed a "supplemental" deposit rather than an "additional" deposit to emphasize the relationship between it and the earlier deposit, that such a deposit have the same legal effect as the earlier deposit provided the patent holder provides a verified statement that it is identical to the earlier deposit, and that it have the same accession number as the earlier deposit, perhaps with a suffix modification. One comment suggests that the rules require that a deposit under paragraph (h) be assigned the same accession number but with an appropriate suffix. A depository commentator asks that where a deposit under paragraph (h) is made, which deposit — the earlier or the later one — should be made available to the public. Currently, this depository advises a requesting party that there are two deposits.

Response: The suggestion of replacing the term "additional" with the term "supplemental" has been adopted but in a somewhat different setting. Whereas proposed § 1.204(h) stated that nothing in the regulations was intended to prohibit a patentee from making an additional deposit, paragraphs (a), (b), (c), (f) and (g) of § 1.805 as adopted provide for patent owners as well as patent applicants making supplemental deposits of a biological material earlier deposited from which a depository can still furnish samples. These paragraphs provide for supplemental deposits similar to the provisions in these paragraphs for replacement deposits, including the requirement of showing diligence in making the deposit in connection with a patent, except that instead of making the deposit after receiving notice that samples could no longer be furnished from an earlier deposit, as in the case of a replacement deposit, the deposit is made after receiving notice that the earlier deposit had become contaminated or had lost its capability to function as described in the specification. While the rules specify that the Office in any Office proceeding will recognize supplemental deposits if made under certain conditions, it is not known what legal effect a court will give to such recognition. As far as what accession number a depository should give to a supplemental deposit, this is a matter within the discretion of the depository. As to which deposit, either an earlier depositor or a supplemental deposit, should be made available to the public, this would depend on the accession number requested. A supplemental deposit made according to these regulations would be freely available to the public to the same extent as an original deposit made according to these regulations. Obviously, nothing in these regulations prohibits a depository from advising a requesting party that there is more than one deposit of a particular biological material.

Comment: To the extent proposed § 1.204 regulates the effects on patents, in other than certain statutorily defined situations such as reexamination and reissue, for failure to make replacement deposits according to the rule, it exceeds the rulemaking authority of the Office. An example is proposed § 1.204(c).

Response: Section 1.805 as adopted, to the extent it addresses replacement deposits made by patent owners, contains no affirmative provisions requiring or prohibiting replacement deposits. Rather, it prescribes what an applicant or patent owner may do vis-a-vis the Office if a replacement deposit is made and what the ramifications are in any Office proceeding if a replacement deposit is not made or improperly made. Proposed § 1.204(c) was, and § 1.805(d) as adopted is, limited to Office proceedings. The provision that a patentee may not replace a viable deposit where the depository can furnish samples in proposed § 1.204(h) has been replaced in § 1.805(i) as adopted with the provision that the Office will not recognize in any Office proceeding a replacement deposit made by a patent owner where the depository could furnish samples of the deposit being replaced.

Comment: One comment suggests that the term of deposit in proposed § 1.205 is excessive. The term should be through the expiration of the patent plus 10 years. Another comment suggests that § 1.205 be adopted except that the last sentence should be deleted and the term "viable" before "deposit" be dropped. The term "viable" should be deleted as viability is dealt with elsewhere, e.g., proposed § 1.206. The last sentence should be deleted because, while the Office may set what it considers adequate terms of deposit on or before patent grant, it has no statutory authority or mechanism for supervising the term of the agreement of the deposit. The last sentence is also highly indefinite in failing to indicate how far beyond the enforceable life of a patent the deposit must be maintained.

Response: The suggestions have been adopted in part. Proposed § 1.205, including the last sentence, has been adopted as § 1.806 except that the thirty-year term applies to any deposit made before or during pendency of an application for patent. No requirement of viability is stated in the rule. The Office agrees that once a patent issues, it has no authority or mechanism for supervising the term of the agreement of the deposit. But the Office does have the authority to set the term of deposit while an application is still pending. That is all § 1.806 does. In almost all cases, the term of deposit as set forth in the first sentence of § 1.806 will extend beyond the enforceable life of the patent for which a deposit was made. The last sentence of § 1.806 is intended to cover those rare circumstances where extended prosecution in the Office results in expiration of the term of deposit as set forth in the first sentence while the patent is still enforceable. At this time, there appears to be no need to specify any finite time period beyond the enforceable life of a patent. If experience demonstrates that the public interest is not being served by the present provisions, an appropriate amendment will be proposed.

Comment: A depository commentator suggests that the requirement in proposed § 1.207(b)(1) that a request for a sample of the deposited material be signed poses an administrative burden on depositories which accept telephone, telex and electronic mail requests for samples. Requiring that a request be signed can and will delay the receipt of samples by many days. The signing requirement should not be adopted.

Response: The suggestion has been adopted in § 1.808(b)(1).

Comment: A depository commentator suggests that the requirement in proposed § 1.207(b)(3) that a copy of the request be provided to the depositor poses a problem since most requests also include a request for samples of many other deposited biological materials. For such a request, it would be necessary to send a copy to each depositor, blanking out the other deposits not made by that depositor. It should be sufficient that the depositor is notified to whom and the date a sample was provided. The cost will be much greater if a copy has to be supplied.

Response: The suggestion has been adopted in § 1.808(b)(3).

Comment: A depository commentator suggests that in proposed § 1.207(b), it is not clear, after the term of the patent, whether the deposit is again restricted as it was before the patent was granted, i.e., not furnished unless the requesting party has the proper authorization from the depositor or the Commissioner, or whether the deposit is no longer subject to subparagraphs (1), (2) and (3) thereof and can be furnished without any specific identification or notification. It is suggested that either

a statement be added as to what happens after the term of the patent or the term "during the term of the patent" be deleted.

Response: The suggestions have not been adopted. Section 1.808(a)(2) requires that subject to paragraph (b) thereof, all restrictions imposed by the depositor on the availability to the public of the deposited material will be irrevocably removed upon the granting of the patent. Paragraph (b), by its terms, is limited to the term of the patent. A contract between a depositor and a depository according to paragraph (b) but which extends beyond the term of the patent would violate paragraph (a)(2). It should be self-evident that for deposits in compliance with these regulations, samples of the deposit may be furnished without any specific identification or notification for requests made after the term of the patent.

Comment: While many comments suggest adoption of a rule restricting the transfer of a sample of a deposited material to a third party without the depositor's permission, such as proposed § 1.207(c), as well as the adoption of a rule requiring other restrictions on access to deposited material, two comments suggest that such rules not be adopted. The rationale is that if a deposit is basically a replacement for that which could not be adequately written in the patent specification itself, no specific statutory authority exists for restricting access to the deposited material any more than the patent law would countenance restrictions on access to the written description itself. If abuses exist by virtue of the absence of limitations on access to deposited materials, then the remedy for patent infringement is as applicable to deposited material as it is to infringers acting from knowledge of the written description itself. Accordingly, unrestricted access to deposits should be allowed. One of the comments suggests further that if there are to be some restrictions to access, proposed § 1.207(c) is otherwise problematic and ineffective. For example, the limitation on access applies to "derived" materials which could include wholly noninfringing derivatives which might themselves constitute a patentable invention of a third party requester. The proposed rule would deny the third party requester the right to what ought to be an unrestricted right to sell or otherwise dispose of this derivative material to third parties. Moreover, the proposed rule is remediless since the Office neither has continuing jurisdiction over the patentee nor a third party requester. Two depository commentators expressed reservations about proposed § 1.207(c). One suggests that the first sentence therein is in direct contradiction to the long-standing policies of both NRRL and ATCC. Most depositories no longer require this type of guarantee from requesting parties as they find it almost impossible to enforce. The other suggests that the administrative burden to the depository in handling agreements made pursuant to the proposed rule will be great and the cost will be borne by the depositor. At \$10 an agreement and 300 requests a year for a particular deposit, the cost to the depositor would be \$3,000 a year. If § 1.207(c) is adopted, there should be some mention that if a depository charges a fee for this service, the fee must be paid or the depository will not be obligated to provide the service. In the European Patent Office (EPO), which has a similar provision, the EPO, not the depository, obtains the agreement and advises the depository to make the sample available. The comment asks if the Office is prepared to do this. Additional comments ask what rules govern a new deposit for patent purposes of the same or derived biological material by a requesting party if the substance of proposed § 1.207(c) is adopted. Some comments were in response to a solicitation in the notice of proposed rulemaking for alternative approaches and suggestions for an appropriate definition of "essential characteristics" with respect to derived material in proposed § 1.207(c).

Response: The Office has decided not to adopt a rule permitting a depositor to require that a sample of a deposited biological material shall be furnished only if the requesting party has agreed not to make the material or a derivative thereof available to a third party without the depositor's permission. Thus, proposed § 1.207(c) has not been adopted. The Office agrees with many of the comments about shortcomings in the proposed rule. Fundamentally, however, the proposed rule has not been adopted in view of the rationale stated in the comment that no greater restriction on access to a deposit should be permitted than is permitted on access to the written description itself, even considering that the practical value of access to a deposit may be substantially greater than access to the written description and that infringement may be more difficult to

police. While it might be argued that the adoption of proposed § 1.207(b) with revisions as § 1.808(b) is inconsistent with this rationale, the Office believes that permitting the depositor to require a requesting party, in essence, to identify itself is not unreasonable under the circumstances and is consistent with international practice as embodied in the Budapest Treaty.

Comment: Many comments which suggest the adoption of the substance of proposed § 1.207(c) also suggest the adoption of rules incorporating the recommendations made in the April 8, 1987 World Intellectual Property Organization (WIPO) report on the Industrial Property Protection of Biotechnological Inventions (1) to use the biological material only for experimental purposes concerning the invention, and (2) not to export the biological material except to a country for which a relevant patent has been granted. The reasons generally given were that it is necessary to protect the patentee and enhance the patentee's ability to enforce a patent relying on a deposited material. One comment suggests that incorporating the recommendation on experimental use would clarify what is permitted by law. In the Notice of Proposed Rulemaking, 53 Fed. Reg. at 39423-24, the Office described the difficulties in drafting a regulation incorporating these recommendations and requested specific suggestions as to how to draft a regulation which both accomplishes the intended purpose and is not inconsistent with law. No specific suggestions were received, although one comment suggests that where a deposited material is covered by an unexpired U.S. patent, a rule be adopted permitting the depositor to require the requesting party to agree to comply with the provisions of 35 U.S.C. 271. Another comment suggests that legislation is necessary to deal with the problems addressed by the WIPO recommendations. A restriction against exports could be considered to be violative of 35 U.S.C. 112 since foreign requesters would be denied access to deposits where a patentee had never sought foreign patent protection. A restriction to experimental purposes only, while more justifiable, raises two problems. One is that "experimental purposes" have not been defined and the term has been open to several interpretations. The other is that the proper redress for non-experimental use is a suit for patent infringement, not a suit based on the requester's promise to the depository. The comment suggests that a rule be adopted permitting the depositor to require that a requesting party acknowledge that the furnishing of a sample of the deposited biological material does not constitute a license, express or implied, to use that sample for any purpose.

Response: None of the suggestions have been adopted for essentially the same rationale discussed in the response to the previous comment. None suggest how to draft a regulation which both accomplishes the intended purpose and is not inconsistent with law, and which provides a compelling justification and rationale for departing from present policy and practice. The suggestion that a requesting party agree to comply with 35 U.S.C. 271 as a condition precedent to obtaining a sample of deposited biological material is interpreted as an agreement not to infringe a corresponding valid patent, something which a requesting party is already bound not to do under law. The suggestion that a depositor be permitted to require a requesting party to acknowledge that there is no express or implied license to use a sample for any purpose exceeds the rulemaking authority of the Office since certain unlicensed uses of patented subject matter have been found by the courts to be permissible.

Comment: Many of the comments suggesting adoption of the substance of § 1.207(c) and/or the WIPO recommendations on experimental use and export also suggest adoption of rules permitting additional restrictions. One comment suggests requiring the recipient of biological material to report, at least annually, to the patent holder, on the research and other results obtained by use of the biological material. The same commentator suggests that even after patent expiration, an unlicensed recipient should not be permitted to use the biological material for other than experimental purposes absent agreement from the depositor. The commentator would prohibit commercial use of the biological material without permission of the depositor. Another comment suggests that the policy consideration for permitting deposits is to insure that the patented invention can be practiced after patent expiration. Requiring a requesting party to enter into an agreement with the depositor defining the terms and conditions under which a sample of the deposited material would be used, making an accounting of such use, and proof of compliance, is neither unreasonable nor contrary to law. It

would not place an administrative burden on the Office since the depository could be permitted to release samples only if the requesting party signs a license. Any attempt by the depositor to impose an unlawful restriction and withhold release would be a matter for the courts, not the Office. Another comment suggests various additional restrictions be adopted. These are (1) that the requesting party have residence in the U.S. or in the country where the depository is located, if different; (2) that the patentee be given the option to restrict furnishing of samples to independent experts only for the duration of the patent; and (3) that the deposit be released only if the depositor expressly consents (in the absence of which validity of the patent must be resolved without recourse to the deposit). Restriction (1) should be adopted so that the deposit cannot be legally exported to a country where the patent owner has no enforceable rights. Restriction (2) should be adopted to prevent access of the deposited material to potential infringers. Its adoption should be coupled with a statement that a deposit released to an expert shall be regarded as being available to the public. Restriction (3) should be adopted as an extension to the description in proposed § 1.201 that the disclosure "may include a deposit." In other words, the patentee at any time during the patent term should be able to rely on the written description alone for satisfying 35 U.S.C. 112, such as where the reasons for requiring a deposit originally no longer exist.

Response: None of the suggestions have been adopted for essentially the same reasons discussed in the responses to the previous two comments.

Comment: A depository commentator suggests that proposed § 1.207(d) needs further deliberation. Now, publication in a U.S. patent of a deposit and accession number is sufficient for that depository (ATCC) to make samples available. The Office should be prepared to receive several thousand requests for certification under § 1.207(d) if adopted. If the Office is going to certify the availability of deposits, it should certify the availability of all deposits. Easier than the proposed rule would be to include a statement in the patent that there is a deposit, its accession number and where it is deposited, and that it has been made under the condition that it is available upon publication of the issued patent.

Response: The suggestion has not been adopted. The comment appears to be interpreting the term "Upon request" at the beginning of proposed § 1.207(d) to mean "Upon request to a depository for a sample of a deposited material", or in other words, the commentator appears to have interpreted the proposed language as requiring the depository to request certification from the Office each time a request for a sample of a deposit is made. It was not intended to impose such a burden on depositories. Rather, it was intended that the term "Upon request" refer to a request made to the Office. Therefore, proposed § 1.207(d), revised by inserting the term "made to the Office" after "Upon request", has been adopted as § 1.808(c).

Comment: One comment suggests that there is no apparent reason for the use of the different words "[e]stablishing" and "[a]rguing", in proposed paragraphs (b)(2) and (b)(3), respectively, of § 1.208 since the same meaning is intended by each. Either word alone should be used in both subparagraphs (2) and (3). The same comment goes on to suggest that the reference to paragraph (b)(2) in the last sentence of proposed § 1.208(b)(3) is redundant since the examiner may be convinced that a deposit is not required where the applicant has established that the involved biological material is known and readily available to the public. A comment along the same lines suggests that paragraph (b)(2) is unnecessary. As a purely logical matter, an applicant ought to be entitled to reply to a rejection either by making an acceptable deposit or arguing why a deposit is not required under the circumstances. Proposed § 1.208(b)(2) is merely one possibility for an argument that a deposit is not required.

Response: The suggestions have been adopted. Proposed § 1.208(b)(2) has not been adopted and proposed § 1.208(b)(3) has been substantially adopted as § 1.809(b)(2). In addition, § 1.809(b)(2) provides for examination with respect to a patent, since deposit issues may arise in connection with a reissue application and/or a reexamination proceeding, and provides also for an argument that a deposit actually made should be accepted.

Comment: A number of comments suggest that the term "taxonomic description" in proposed § 1.208(d)(3) is unclear

and inappropriate in some cases. One comment suggests that it is not clear how complete a description is required. If construed in its broadest sense, it could have the undesirable effect of delaying filing of an application until taxonomic characteristics have been determined. Some biological materials within the scope of the proposed rules, such as plasmids, are not susceptible of taxonomic description. The requirement that the specification contain a taxonomic description should not be adopted since such a description may not be possible and since the availability of a deposit makes such a description superfluous, since the taxonomy is inherent in the deposit. The response to comments made earlier regarding the taxonomic description requirement is inconsistent with the proposed rule. The response states that the extent to which a taxonomic description is required will depend on the facts of the case yet the proposed rule states that the specification *shall* contain such a description. The response states that the taxonomic description must be sufficient for purposes of 35 U.S.C. 112 yet the requirement of a deposit presupposes that a written description alone will not satisfy the statute. The need to verify that the deposited biological material is that disclosed in the specification arises only when the deposit is made after the filing date. That situation can be dealt with by deleting the taxonomic description requirement from § 1.208(d) and adding a new subparagraph (e) which would provide that in cases where a deposit is made after the filing date and where the nature of the material permits, a taxonomic description is required in addition to the items specified in subparagraph (d). Another comment suggests that the term "taxonomic" be deleted since it is irrelevant to many types of deposits and would provide greater clarity to the rules. Another comment suggests that the current language in proposed § 1.208(d)(3) be replaced with "Fully identify and describe the deposited material".

Response: The suggestions have been adopted in part. Section 1.809(d)(3) as adopted requires a description of the deposited biological material sufficient to specifically identify it and to permit examination. While the rule does not by its terms require a taxonomic description, such a description should satisfy the rule as adopted in cases where the biological material deposited admits of a taxonomic description.

Comment: The Office should petition the Budapest Assembly to address the same issues dealt with in the proposed rules so that they apply to both U.S. and foreign filings. Uniformity in the rules is important, especially for U.S. inventors who file here and abroad.

Response: While uniformity in both U.S. and foreign rules is desirable, this is not deemed to be the appropriate forum in which to address the suggestion.

Discussion of Specific Sections

BIOLOGICAL MATERIAL [§ 1.801]:

The section indicates that the rules pertaining to deposits for purposes of patents for inventions under 35 U.S.C. 101 are intended to relate to biological material. For the purposes of these rules, the term "biological material" is defined in terms of a non-exhaustive list of representative materials which can be deposited in accordance with the procedures defined in these rules. Since these rules are intended to address procedural matters in the deposit of biological material for patent purposes, and are not designed to decide such substantive issues such as whether a deposit of a particular organism or material would be recognized or needed to be made for the purposes of satisfying the statutory requirements for patentability under 35 U.S.C. 112, the definition provided in this section is intended to be permissive - specifically defining materials which can be deposited.

Biological material includes material that is capable of self-replication either directly or indirectly. Direct self-replication includes those situations where the biological material reproduces by itself. Representative examples of materials capable of self-replication are defined in the rule. Indirect self-replication is meant to include those situations where the biological material is only capable of replication when another self-replicating biological material is present. Self-replication after insertion in a host is one example of indirect self-replication. Examples of indirect replicating biological materials include viruses, phages, plasmids, symbionts, and replication defective cells. The list of representative examples of each type of replicating material

includes viruses to demonstrate that the lists are not intended to be mutually exclusive.

Although plant material is included within the scope of the definition of biological material for purposes of patents for inventions under 35 U.S.C. 101, these rules on deposits are not applicable to applications filed under the Plant Patent Act (35 U.S.C. 161-164). The Office is of the view that a deposit is not required under the present provisions of 35 U.S.C. 162. Thus, no plant patent granted under the provisions of 35 U.S.C. 161-164 need be supported by a deposit. As with other biological material deposited for purposes of patents for inventions under 35 U.S.C. 101, the deposit of plant material together with the written specification must enable those skilled in the art to make and use the claimed invention.

As with some types of reproducible biological material, seeds can be reproduced only after a growing season which may be relatively long. Although the rules do not specify a specific number of seeds to be deposited to meet the requirements of these rules, the Office will consider 2500 to be a minimum number in the normal case, but will give an applicant the opportunity to provide justification why a lesser number would be suitable under the circumstances of a particular case. The Department of Agriculture requires a deposit of 2500 seeds for the grant of a Plant Variety Protection Certificate. As the reproduction of seeds will often take a substantial period of time, the Office will require, at a minimum, a number of seeds that is likely to satisfy demand for samples once the patent is granted.

Section 1.801 does not attempt to identify what biological material either needs to be or may be deposited to comply with the requirements of 35 U.S.C. 112. For the most part, this issue must be addressed on a case-by-case basis. Thus, while the Office does not presently contemplate that there would be any situations where a material that is not capable of self-replication either directly or indirectly would be acceptable as a deposit, an applicant is clearly not precluded in any given application, by these rules, from attempting to show why the deposit of such a material should be acceptable to satisfy the requirements of 35 U.S.C. 112.

NEED OR OPPORTUNITY TO MAKE A DEPOSIT [§ 1.802]

This section permits a deposit of a biological material to be referenced in a patent application where an invention is, or relies on, a biological material. The invention may rely on a biological material for the purposes of making or using the invention, either as a preferred mode or an alternative mode of operation. It is not necessary, for the purposes of paragraph (a), that a deposit be required to satisfy the requirements of 35 U.S.C. 112 before a reference to a deposit is permitted in the specification.

There is no necessary implication or presumption that can or should be made about the need for a deposit simply because reference to a deposit is made in an application disclosure. As noted in paragraph (b), biological material need not be deposited unless access to such material is necessary for the satisfaction of the statutory requirements for patentability under 35 U.S.C. 112 and that access is not otherwise available in the absence of a deposit. Where a deposit is required to provide the necessary access, a deposit is acceptable for patent purposes only where it is made in accordance with these regulations. Even where access to biological material is required to satisfy these statutory requirements, a deposit may not be necessary if access sufficient to satisfy these requirements is otherwise available.

For example, applicant could show that the biological material is known and readily available to the public. The concepts of "known and readily available" are considered to reflect a level of public accessibility to a necessary component of an invention disclosure that is consistent with an ability to make and use the invention. To avoid the need for a deposit on this basis, the biological material must be both known and readily available - neither concept alone is sufficient. A material may be known in the sense that its existence has been published, but is not available to those who wish to obtain that particular known biological material. Likewise, a biological material may be available in the sense that those having possession of it would make it available upon request, but no one has been informed of its existence.

By showing that a biological material is known and readily available or by making a deposit in accordance with these rules, applicant does not guarantee that such biological material will

be available forever. Public access during the term of the patent may affect the enforceability of the patent. Although there is a public interest in the availability of a deposited biological material during and after the period of enforceability of the patent, the examiner need not be unduly concerned about continued access to the public. Unless there is a reasonable basis to believe that the biological material will cease to be available during the life of the patent, the examiner should accept current availability as satisfying the requirement. The incentives provided by the patent system should not be constrained by the mere possibility that a disclosure that was once enabling would become non-enabling over a period of time through no fault of the patentee. *In re Metcalfe*, 410 F.2d 1378, 161 USPQ 789 (CCPA 1969).

There are many factors that may be used as indicia that a biological material is known and readily available to the public. Relevant factors include commercial availability, references to the biological material in printed publications, declarations of accessibility by those working in the field, evidence of predictable isolation techniques, or an existing deposit made in accordance with these rules. Each factor may or may not be sufficient alone to demonstrate that the biological material is known and readily available. Those applicants that rely on evidence of accessibility other than a deposit take the risk that the patent may no longer be enforceable if the biological material necessary to satisfy the requirements of 35 U.S.C. 112 ceases to become accessible.

The Office will accept commercial availability as evidence that a biological material is known and readily available only when the evidence is clear and convincing that the public has access to the material. A product could be commercially available but only at a price that effectively eliminates accessibility to those desiring to obtain a sample. The relationship between an applicant relying on a biological material and the commercial supplier relied upon is one factor that would be considered in determining whether the biological material was known and readily available. However, the mere fact that the biological material was available only through the patent holder or the patent holder's agents or assigns shall not, by itself, justify a finding that the necessary material is not readily available, absent reason to believe that access to the biological material would later be improperly restricted.

The mere reference to a deposit or the biological material itself in any document or publication does not necessarily mean that the deposited biological material is readily available. Even a deposit made under the Budapest Treaty and referenced in a United States or foreign patent document would not necessarily meet the test for known and readily available unless the deposit was made under conditions which are consistent with those specified in these rules, including the one that requires, with one possible exception, that all restrictions on the accessibility will be irrevocably removed upon the granting of the patent.

Applicant may show that a deposit is not necessary even though specific biological materials are required to practice the invention if those biological materials can be made or isolated without undue experimentation. Deposits may be required to support the claims if an isolation procedure requires undue experimentation to obtain the desired biological material. *Ex Parte Jackson*, 217 USPQ 804 (PTO Bd. Pat. App. 1982) No deposit is required, however, where the required biological materials can be obtained from publicly available material with only routine experimentation and a reliable screening test. *Tabuchi v. Nubel*, 559 F.2d 1183, 194 USPQ 521 (CCPA 1977); *Ex Parte Hata*, 6 USPQ 2d 1652 (PTO Bd. Pat. App. & Int. 1987).

Once a deposit is made in a depository complying with these rules, and under conditions complying with these rules, a biological material will be considered to be readily available even though some requirement of law or regulation in the United States or in the country where the depository institution is located permits access to the material only under conditions imposed for health, safety or similar reasons. This provision is consistent with the Budapest Treaty (Article 5) and is designed to permit the patenting of inventions involving materials having restricted distribution, where the restrictions are imposed for the public, as opposed to the private, welfare.

Paragraph (c) specifically provides that the mere reference to a deposit of biological material in the specification disclosure or the actual deposit of such material does not create any presumption that such referenced or deposited material is

necessary to satisfy 35 U.S.C. 112, or that a deposit in accordance with these regulations is or was required. Since reference to a biological material cannot be added to a specification disclosure after filing an application without risking the prohibited introduction of new matter (35 U.S.C. 132), applicants must be permitted to address the need to make a deposit in accordance with these regulations without jeopardizing a filing date. Thus, the examiner has the burden of showing that a deposit is required to satisfy 35 U.S.C. 112, and cannot rely on whether a deposit has been made or has been referenced in the specification disclosure to establish a *prima facie* case that the disclosure does not comply with 35 U.S.C. 112 without deposit.

ACCEPTABLE DEPOSITORY [§ 1.803]

This section indicates that a depository will be recognized as acceptable for the purposes of these regulations if it is either an International Depository Authority (IDA) established under the Budapest Treaty, or if it is a depository recognized as suitable by the Commissioner. After the effective date of these regulations, a deposit of biological material which is made in a depository which is not recognized as acceptable under this regulation will not be considered as satisfying the requirements of 35 U.S.C. 112. On the other hand, if a deposit is not required to satisfy the requirements of 35 U.S.C. 112, it is permissible to make reference to such a deposit even though it may not be in a depository or made under the conditions which are acceptable under these regulations. As new depositories are accepted under the Budapest Treaty or are recognized as suitable by the Commissioner, their identity will be announced in the *Official Gazette*.

An organization may be recognized as suitable by the Office if the procedure and conditions specified in paragraphs (a)(2) and (b) are followed. Generally, it is not the intention of the Office to recognize as suitable any organization where the need for a suitable depository for patent purposes is being met by depositories recognized as IDAs under the Budapest Treaty. Suitability will be judged by the Commissioner, based on need and the information supplied by the organization seeking status, and information obtained from other sources that may be consulted.

While there is a desire to provide flexibility to a patent applicant in selecting an appropriate depository, these rules are not intended to permit each patent applicant to become its own depository since both the patent owner and the public have an interest in the continued availability and accessibility of the deposit during the enforceable life of the patent, and the public has a continuing interest in its availability when the patent is no longer enforceable. The concept of a depository independent of the control of the depositor or an IDA as an acceptable depository is based on the need and desire to ensure the safe and reliable storage of a deposited biological material under circumstances that are substantially free of the opportunity for intentional or negligent handling of the deposited material. The use of an independent depository or internationally recognized depository will tend to preserve the integrity of the deposit process against those that may accidentally alter the deposited material, may wish to tamper with the deposited material or may wish to resume control of its availability when the patent is no longer enforceable, and to preserve the interest of the public in the access to the biological material once the term of the patent expires.

When a depository having status under paragraph (a)(2) of this regulation seeks to change the kinds of biological materials that it will accept and maintain for the purposes of these rules, a communication requesting such a change should be directed to the Commissioner containing the information requested in paragraph (b). When such a change is requested, the requesting organization should provide a complete list of the kinds of biological materials it will accept.

Paragraph (d) of this section indicates that once a depository is recognized as suitable for the purposes of this rule, or has defaulted or discontinued its performance under this section, notice thereof will be published in the *Official Gazette* of the Patent and Trademark Office. A current list of IDAs recognized under the Budapest Treaty is as follows:

- Australian Government Analytical Laboratories (AGAL) - Australia
- Centraalbureau Voor Schimmelcultures (CBS) - Netherlands
- Collection Nationale De Culture De Micro-organismes (CNCM) - France
- Commonwealth Agricultural Bureau (CAB), International - Mycological Institute - United Kingdom
- Culture Collection of Algae and Protozoa (CCAP) - United Kingdom
- Deutsche Sammlung Von Mikroorganismen (DSM) - Federal Republic of Germany
- European Collection of Animal Cell Cultures (ECACC) - United Kingdom
- Fermentation Research Institute (FRI) - Japan
- Institute of Micro-organism Biochemistry and Physiology of the USSR Academy of Science (IBFM) - Soviet Union
- In Vitro International, Inc. (IVI) - USA
- Mezogazdasagi Es Ipari Mikroorganizmusok Magyar Nemzeti Gyujtemenye (MIMNG) - Hungary
- National Bank for Industrial Microorganisms and Cell Cultures (NBIMCC) - Bulgaria
- National Collection of Industrial Bacteria (NCIB) - United Kingdom
- National Collection of Type Cultures (NCTC) - United Kingdom
- National Collection of Yeast Cultures (NCYC) - United Kingdom
- USSR Research Institute for Antibiotics of the USSR Ministry of the Medical and Microbiological Industry (VNIIAA) - Soviet Union
- USSR Research Institute for Genetics and Industrial Micro-organism Breeding of the USSR Ministry of the Medical and Microbiological Industry (VNI Genetika) Soviet Union

TIME OF MAKING AN ORIGINAL DEPOSIT [§ 1.804]

This section specifies the time for making an original deposit to fulfill the requirements of 35 U.S.C. 112. Paragraph (a) specifies not only a permissible time frame for making an original deposit, but also specifies that the biological material deposited must be specifically identified in the application for patent as filed. The requirement for a specific identification is consistent with the description requirement of the first paragraph of 35 U.S.C. 112, and to provide an antecedent basis for the biological material which either has been or will be deposited before the patent is granted.

The description in the Lundak application as filed (now patent 4,594,325) provides a suitable illustration of the specific identification and description which is required in an application for patent as filed. In that application, an immortal B-cell line was disclosed and claimed. The cell line was referred to in the application as filed as WI-L2-729 HF2. The methods of obtaining and using this cell line were also described in the application as filed. A deposit of the cell line was made with the American Type Culture Collection (ATCC) about a week after the application was filed in the United States. The United States Court of Appeals for the Federal Circuit held that the requirements of access by the Office to a sample of the cell line during pendency, and public access after grant, were met by Lundak's procedures. The Court further held that the addition of information designating the depository, accession number, and deposit date of the deposited cell line in ATCC after the filing date did not violate the prohibition against new matter in 35 U.S.C. 132. *In re Lundak*, 773 F.2d 1216, 227 USPQ 90 (Fed Cir. 1985). It must be clear from the application as filed that the invention claimed and described in the specification "was fully capable of being reduced to practice (i.e., no technological problems, the resolution of which would require more than ordinary skill and reasonable time, remained in order to obtain an operative, useful process)." *Feldman v. Aunstrup*, 517 F.2d 1351, 1355, 186 USPQ 108, 113 (CCPA 1975), cert. denied, 424 U.S. 912 (1976).

When the original deposit is made after the effective filing date of an application for patent, applicant is required to promptly submit a verified statement from a person in a position to corroborate that the biological material which is deposited is a biological material specifically identified in the application (the filing date of which is relied upon) as filed. The nature of

- Agricultural Research Culture Collection (NRRL) - USA
- American Type Culture Collection (ATCC) - USA

this corroboration will depend on the circumstances in the particular application under consideration, including the length of time between the application filing date and the date of deposit. While few, if any, situations can be imagined where the description requirement of 35 U.S.C. 112 can be satisfied where the biological material was not in existence at the time of filing, the rules do not preclude such a situation. There is no requirement in the patent law that an actual reduction to practice occur as a condition precedent to filing a patent application. The requirement for a verified statement is not necessary under paragraph (b) of this section if the person making the statement is an attorney or agent registered to practice before the Office.

For the purposes of complying with the requirements of 35 U.S.C. 112, a deposit of a biological material may be made at any time before filing the application for patent or during the pendency of the application subject to the conditions of § 1.809. Where the deposit is needed to satisfy the requirement of 35 U.S.C. 112 and is made during the pendency of the application, it must be made no later than the time period set by the examiner at the time the Notice of Allowance and Issue Fee Due is mailed. A necessary deposit need not be made by applicant until the application is in condition for allowance so long as applicant provides a written assurance that an acceptable deposit will be made on or before the payment of the issue fee. This written assurance must provide sufficiently detailed information to convince the examiner that there is no outstanding issue regarding deposits that needs to be resolved.

Those applicants intending to file patent applications in a country foreign to the United States relying upon biological material that must be deposited to satisfy the requirements of 35 U.S.C. 112 when the application is filed in the United States are cautioned that in many countries the deposit must be made before the filing date of the priority application in order to obtain foreign priority rights. Thus, while the deposit of a biological material subsequent to the effective filing date of a United States application is sufficient to comply with 35 U.S.C. 112, an applicant may not be able to rely on the filing date of such a U.S. application if a patent is sought in a country foreign to the United States.

REPLACEMENT OR SUPPLEMENT OF DEPOSIT [§ 1.805]

This section relates to the deposit of a biological material to replace or supplement a previous deposit. The term "replacement" is directed to those situations where one deposit is being substituted for another. An applicant may have greater latitude in replacing a deposit during the pendency of an application than after the patent is granted. Replacement will typically take place where the earlier deposit is no longer viable. The term "supplement" is directed to those situations where the earlier deposit is still viable in the sense that it is alive and capable of replication either directly or indirectly, but has lost a quality (e.g., purity, functionality) it allegedly possessed at the time the application was filed. The procedures in these rules contemplate that only the original depository would have a right to replace or supplement the original deposit.

Paragraph (a) relates to the procedure for replacing or supplementing a deposit with respect to a pending application or a patent. An applicant for patent or patent owner whose patent is the subject of a reissue application or reexamination proceeding is required to notify the Office when it obtains information that the depository possessing a deposit either cannot furnish samples thereof or can furnish samples thereof but the deposit has become contaminated or has lost its capability to function as described in the specification. When the Office is so notified or otherwise becomes aware of such information, the need for making a replacement or supplemental deposit will be determined by the same considerations used to determine the need for an original deposit under § 1.802(b).

A replacement or supplemental deposit made in connection with a pending application for patent will be accepted if it meets all the requirements for making an original deposit. It should be noted that for a pending application for patent, applicant need not replace or supplement the identical material previously deposited, but may make an original deposit of a biological material which is specifically identified and described in the application as filed. Whether this alternative deposit will meet the requirements of 35 U.S.C. 112 with respect to the claimed

subject matter must be resolved by the examiner on a case-by-case basis.

A replacement or supplemental deposit made in connection with a patent, whether or not it is the subject of a pending reissue application or reexamination proceeding, shall not be recognized in any Office proceeding unless a certificate of correction under § 1.323 is requested by the patent owner which meets the terms of paragraphs (b) and (c) of this section. These paragraphs specify the procedures that a patent owner must follow to ensure both that a replacement or supplemental deposit will be recognized in any Office proceeding and that a certificate of correction under this section containing "up to date" information about a deposited biological material will be granted. The term "recognized in any Office proceeding" as used in this section includes the proceeding in which a request for certificate of correction under this section is acted upon. Paragraph (b) describes the information which must be contained in the certificate of correction, whereas paragraph (c) describes when the request must be made and the information which must be provided in the request to make the correction. The rules require, *inter alia*, that replacement or supplement of a deposit be made diligently, followed by prompt request thereafter for a certificate of correction, as conditions precedent to being recognized in any Office proceeding. Thus, for example, if a patent owner learns early during the term of the patent that the depository cannot furnish samples of a deposit described in the patent and the patent owner fails to both diligently make a replacement deposit and promptly thereafter request a certificate of correction under these rules, a replacement deposit made years later when the patent becomes the subject of a reissue application or reexamination proceeding will not be recognized by the Office nor will any request for certificate of correction in connection with that deposit be granted.

Where a proper request for certificate of correction is made and has been granted, any correction made to the original patent will be automatically incorporated into any reissued or reexamined patent unless changes are made during examination of the reissue application or reexamination proceeding.

Paragraph (d) of § 1.805 sets forth the Office position that the failure to make a replacement deposit or, in the case of a patent, diligently make a replacement deposit and promptly thereafter request a certificate of correction which meets the terms of paragraphs (b) and (c) of this section, after notification that samples of an earlier deposit cannot be furnished, shall cause the application or patent involved to be treated in any Office proceeding as if no deposit were made.

Paragraph (e) thereof indicates that the Office will apply a rebuttable presumption of an identity between the replacement deposit and an original deposit where a patent making reference to the deposit is relied on during any Office proceeding. This means that where a replacement deposit is permitted and made, the examiner will assume that the same material as described in the patent is accessible from the identified depository unless evidence to the contrary comes to the attention of the Office.

An applicant for patent may make a replacement or supplemental deposit during the pendency of the application for any reason. The provisions of paragraph (f) of § 1.805 recognize that since an original deposit may be made during the pendency of the application subject to the conditions of § 1.809, a replacement or supplemental deposit logically cannot be held to any higher standard or any further requirements. Likewise, the provisions of paragraph (g) indicate that neither a replacement nor a supplemental deposit need be made where, at the point in time when replacement or supplement would otherwise be necessary, access to the necessary biological material was otherwise available. For example, a replacement or supplemental deposit would not be required under the circumstances where access to the necessary biological material was established through commercial suppliers.

The provisions of paragraph (h) of § 1.805 indicate that a replacement deposit is not required even though the depository cannot furnish samples, under certain conditions, to those requesting a sample outside of the jurisdiction where the depository is located. The conditions are specified in this paragraph as being limited to national security, health or environmental safety reasons.

Finally, paragraph (i) of this section indicates that the Office will not recognize in any Office proceeding a replacement deposit made by the patent owner where the depository could

furnish samples of the deposit being replaced. The best evidence of what was originally deposited should not be lost through destruction or replacement if made in association with an existing patent. A supplemental deposit may be accepted in an Office proceeding, however, depending on the circumstances in each case.

TERM OF DEPOSIT [§ 1.806]

The term of deposit must satisfy the requirements of the Budapest Treaty which sets a term of at least 30 years from the date of deposit and at least five (5) years after the most recent request for the furnishing of a sample of the deposit was received by the depository. In the event that the 30-year term covers the 17-year term of the patent plus six (6) years to include the Statute of Limitations, no further requirement is necessary. The mere possibility of patent term extension or extended litigation involving the patent should not be considered in this analysis.

In the event that the 30-year term of deposit measured from the date of deposit would necessarily terminate within the period of enforceability of the patent (normally the 17-year term plus six (6) years), samples must be stored under agreements that would make them available beyond the enforceable life of the patent for which the deposit was made. No requirement should be made as to any particular period of time beyond the enforceable life of the patent. The purpose of the requirement is to insure that a deposited biological material necessary for the practice of a patented invention would be available to the public after expiration of the patent for which the deposit was made. The term of the deposit must comply with the requirements of each sentence of § 1.806 whether or not the deposit is made under the Budapest Treaty. A specific statement that the deposit complies with the second sentence of this section is required only where the 30-year term would terminate within the enforceable life of the patent.

VIABILITY OF DEPOSITS [§ 1.807]

This section requires that the deposit of biological material that is capable of self-replication either directly or indirectly must be viable at the time of deposit and during the term of deposit. This requirement for viability is essentially a requirement that the deposited material is capable of reproduction. For the purpose of making a deposit under these rules, there is no requirement that evidence be provided that the deposited material is capable or has the ability to perform any function described in the patent application. However, as with any other issue of description or enablement, if the examiner has evidence or reason to question the objective statements made in the patent application, applicants may be required to demonstrate that the deposited biological material will perform in the manner described.

Under the Budapest Treaty, there is a requirement that the deposit be tested for viability before it is accepted. Thus, a mere statement by applicant, an authorized representative of applicant or the assignee that the deposit has been accepted under the Budapest Treaty would satisfy § 1.807.

For each deposit which is not made under the Budapest Treaty, a viability statement must be filed in the patent application and contain the information listed in paragraph (b) of this section. Under paragraph (c), the examiner will accept the conclusion set forth in a viability statement which is issued by a depository recognized under § 1.803(a). If the viability test indicates that the deposit is not viable upon receipt, or the examiner cannot for scientific or other valid reasons accept the statement of viability received from the applicant, the examiner shall so notify the applicant stating the reasons for not accepting the statement and proceed with the examination process as if no deposit had been made.

FURNISHING OF SAMPLES [§ 1.808]

This section requires that the deposit of biological material be made under two (2) conditions:

- (1) access to the deposit will be available during pendency of the patent application making reference to the deposit to one determined by the Commissioner to be entitled thereto under § 1.14 and 35 U.S.C. 122, and

- (2) with one exception, that all restrictions imposed by the depositor on the availability to the public of the deposited biological material will be irrevocably removed upon the granting of the patent.

The one exception that is permitted is specified in paragraph (b) of this section which permits the depositor to contract with the depository to require that samples of a deposited biological material shall be furnished only if a request for a sample, during the term of the patent meets any one or all of the three conditions specified in this paragraph. These conditions are:

- (1) the request is in writing or other tangible form and dated; and/or
- (2) the request contains the name and address of the requesting party and the accession number of the deposit; and/or
- (3) the request is communicated in writing by the depository to the depositor along with the date on which the sample was furnished and the name and address of the party to whom the sample was furnished.

It should be noted that this exception to the general rule that all restrictions will be removed must be strictly followed and that no variations of this explicit exception will be accepted as meeting the conditions of this section. This exception is consistent with the provisions in the Budapest Treaty and its implementing regulations (Rule 11.4).

Since the mere description of a deposit or identity of a deposit in a patent specification is not necessarily an indication that a requirement for deposit was made or that a deposit which complies with these rules has been made, accessibility to a deposited material referenced in a patent may depend on the satisfaction of conditions not apparent on the face of the patent. For these reasons, and upon request made to the Patent and Trademark Office, the Office will certify whether a deposit has been stated to have been made under conditions which would make it available to the public as of the issue date of the patent grant provided the request is made to the Director of Patent Examining Group 180, and contains the following information:

- (1) the name and address of the depository
- (2) the accession number given to the deposit
- (3) the patent number and issue date of the patent referring to the deposit and
- (4) the name and address of the requesting party.

For those deposits made pursuant to the Budapest Treaty, the World Intellectual Property Organization provides a form (Form BP-12) for requesting a certification of the availability of samples of deposited microorganisms pursuant to Rule 11.3(a) of the regulations under the Budapest Treaty. Copies of this form are available from the Director of Patent Examining Group 180.

EXAMINATION PROCEDURES [§ 1.809]

This section sets forth procedures that will be used by the examiner to address a deposit issue. Deposit issues may arise in the examination of claims in applications for patent and for reissue of a patent, and in the examination of new or amended claims in a reexamination proceeding. The burden is initially on the Office to establish that access to a biological material is necessary for the satisfaction of the statutory requirements for patentability under 35 U.S.C. 112. Once the Office has met this burden, the burden shifts to the applicant or patent owner to demonstrate that access to such biological material either is not necessary or is already available, or that a deposit of such material is being or will be made, replaced or supplemented in accordance with these regulations.

Under paragraph (a) of this section, once the examiner has determined that access to a biological material is necessary, and that access is not presently available in accordance with these regulations, the examiner should make an appropriate rejection under 35 U.S.C. 112.

The applicant or patent owner may respond, pursuant to paragraph (b)(2) of this section, to a rejection made under paragraph (a) thereof by arguing why a deposit is not needed under the circumstances and/or why a deposit actually made should be acceptable. Other prescribed responses which are available to such a rejection depend upon whether the rejection is made in an application for patent, on the one hand, or in a proceeding involving a patent, i.e., an application for reissue patent or reexamination proceeding, on the other hand.

In an application for patent, applicant may respond, pursuant to paragraph (b)(1) of this section, by either making an accept-

able original, replacement or supplemental deposit in accordance with these regulations, or assuring the Office in writing that an acceptable deposit will be made on or before the date of payment of the issue fee. In a proceeding involving a patent, the patent owner may respond, pursuant to paragraph (b)(1) of this section, by requesting a certificate of correction of the patent which meets the terms of paragraphs (b) and (c) of § 1.805. In all cases, any other response shall be considered non-responsive. The rejection will be repeated and made final until the requirements of paragraph (b)(1) of this section are satisfied or the examiner is convinced that a deposit is not required for the claimed subject matter.

As set forth in paragraph (c) of this section, in the event that an application for patent is otherwise in condition for allowance except for a needed deposit and the Office has received a written assurance that an acceptable deposit will be made, the Office will mail to the applicant a requirement that the needed deposit be made within three (3) months together with the Notice of Allowance and Issue Fee Due. Although the period for paying the issue fee cannot be extended under the provisions of § 1.136, the period for satisfying the requirement to make an acceptable deposit may be extended under the provisions of that section. Failure to make the needed deposit in accordance with this requirement may be considered a failure to prosecute the application under 35 U.S.C. 133 and result in abandonment of the application.

The type of written assurance which will be considered acceptable by the Office that an acceptable deposit will be made within the required time must include sufficient information to conclude that there is no outstanding issue with regard to the deposit of an appropriate biological material under conditions which satisfy these rules.

In a proceeding involving a patent, it may not be possible to request a certificate of correction of the patent which meets the terms of paragraphs (b) and (c) of § 1.805. For example, if the patent owner is on notice that samples of an original deposit can no longer be furnished by the depository, failure to diligently make a replacement deposit will preclude grant of a certificate of correction. A replacement deposit subsequently made will not be recognized by the Office nor will a request for certificate of correction, even if made promptly thereafter, be granted. It would also not be possible to request a certificate of correction of the patent which meets the terms of paragraphs (b) and (c) of § 1.805 where no original deposit was made before or during the pendency of the application which matured into the patent.

A patent defective because of lack of a necessary deposit is necessarily fatally defective for failure to comply with the first paragraph of 35 U.S.C. 112. Reissue is not available in such cases. See *In re Hay*, 534 F.2d 917, 189 USPQ 790 (CCPA 1976). Whether reissue is available where a biological material necessary for compliance with 35 U.S.C. 112 was known and readily available at the time of issuance of the patent and subsequently ceased to be readily available is problematic. Nevertheless, the rules do not provide for post-issue original deposits.

Where an applicant for patent has any doubt whether access to a biological material specifically identified in the specification is necessary to satisfy 35 U.S.C. 112 or whether such a material, while presently freely available, may become unavailable in the future, the applicant would be well-advised to make a deposit thereof before any patent issues. Similarly, where a patent owner has any doubt whether a deposit referred to in the specification is of a biological material necessary to satisfy 35 U.S.C. 112 and, if the material is necessary, whether it is otherwise known and readily available, the patent owner would be well-advised to follow the procedures set forth in paragraphs (b) and (c) of § 1.805 after receiving the notice specified in those paragraphs.

Paragraph (d) of this section sets forth the requirements for the content of the specification with respect to a deposited biological material. Specifically, the specification shall contain the accession number for the deposit, the date of the deposit, the name and address of the depository, and a description of the deposited biological material sufficient to specifically identify it and to permit examination. The description must be sufficient to permit verification that the deposited biological material is in fact that disclosed. Once the patent issues, the description must be sufficient to aid in the resolution of questions of infringement. As a general rule, the more information that is provided about a particular deposited biological material, the better the examiner will be able to compare the identity and

characteristics of the deposited biological material with the prior art.

OTHER CONSIDERATIONS

The rules are in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel has certified to the Chief Counsel for Advocacy, Small Business Administration, that this rule change is not expected to have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The deposit practice will not impose extra work on patent applicants (whether small or large businesses or individuals).

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increases in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These rules contain a collection of information requirement subject to the Paperwork Reduction Act which has been approved by the Office of Management and Budget under Control No. 0651-0022. Public reporting burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed to make a deposit or request a sample, and completing and reviewing the collection of information. It is further estimated that a respondent depository would spend about five hours collecting and submitting the necessary information to be recognized as a suitable depository by the Office. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Organization, Patent and Trademark Office, Washington, D.C. 20231, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503 (Paperwork Reduction Project 0651-0022). No comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, were received in response to the notice of proposed rulemaking.

LIST OF SUBJECTS IN 37 CFR PART I

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small business.

For the reasons set out in the preamble, 37 CFR Part 1 is being amended as follows:

PART 1-RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. A new Subpart G - Biotechnology Invention Disclosures, consisting of centered heading - Deposit of Biological Materials - and new §§ 1.801 to 1.809 are added to read as follows:

Subpart G - Biotechnology Invention Disclosures

Deposit of Biological Material

Sec.

1.801 Biological material.

1.802 Need or Opportunity to make a deposit.

- 1.803 Acceptable depository.
- 1.804 Time of making an original deposit.
- 1.805 Replacement or supplement of deposit.
- 1.806 Term of deposit.
- 1.807 Viability of deposit.
- 1.808 Furnishing of samples.
- 1.809 Examination procedures.

Subpart G - Biotechnology Invention Disclosures
Authority: 35 U.S.C. 6

Deposit of Biological Material

§ 1.801 Biological material.

For the purposes of these regulations pertaining to the deposit of biological material for purposes of patents for inventions under 35 U.S.C. 101, the term biological material shall include material that is capable of self-replication either directly or indirectly. Representative examples include bacteria, fungi including yeast, algae, protozoa, eukaryotic cells, cell lines, hybridomas, plasmids, viruses, plant tissue cells, lichens and seeds. Viruses, vectors, cell organelles and other non-living material existing in and reproducible from a living cell may be deposited by deposit of the host cell capable of reproducing the non-living material.

§ 1.802 Need or Opportunity to make a deposit.

(a) Where an invention is, or relies on, a biological material, the disclosure may include reference to a deposit of such biological material.

(b) Biological material need not be deposited unless access to such material is necessary for the satisfaction of the statutory requirements for patentability under 35 U.S.C. 112. If a deposit is necessary, it shall be acceptable if made in accordance with these regulations. Biological material need not be deposited, *inter alia*, if it is known and readily available to the public or can be made or isolated without undue experimentation. Once deposited in a depository complying with these regulations, a biological material will be considered to be readily available even though some requirement of law or regulation of the United States or of the country in which the depository institution is located permits access to the material only under conditions imposed for safety, public health or similar reasons.

(c) The reference to a biological material in a specification disclosure or the actual deposit of such material by an applicant or patent owner does not create any presumption that such material is necessary to satisfy 35 U.S.C. 112 or that deposit in accordance with these regulations is or was required.

§ 1.803 Acceptable depository.

(a) A deposit shall be recognized for the purposes of these regulations if made in

(1) any International Depositary Authority (IDA) as established under the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, or

(2) any other depository recognized to be suitable by the Office. Suitability will be determined by the Commissioner on the basis of the administrative and technical competence, and agreement of the depository to comply with the terms and conditions applicable to deposits for patent purposes. The Commissioner may seek the advice of impartial consultants on the suitability of a depository. The depository must:

- (i) Have a continuous existence;
- (ii) Exist independent of the control of the depositor;
- (iii) Possess the staff and facilities sufficient to examine the viability of a deposit and store the deposit in a manner which ensures that it is kept viable and uncontaminated;
- (iv) Provide for sufficient safety measures to minimize the risk of losing biological material deposited with it
- (v) Be impartial and objective;
- (vi) Furnish samples of the deposited material in an expeditious and proper manner; and
- (vii) Promptly notify depositors of its inability to furnish samples, and the reasons why.

(b) A depository seeking status under paragraph (a)(2) of this section must direct a communication to the Commissioner which shall:

(1) Indicate the name and address of the depository to which the communication relates;

(2) Contain detailed information as to the capacity of the depository to comply with the requirements of paragraph (a)(2) of this section, including information on its legal status, scientific standing, staff and facilities;

(3) Indicate that the depository intends to be available, for the purposes of deposit, to any depositor under these same conditions;

(4) Where the depository intends to accept for deposit only certain kinds of biological material, specify such kinds;

(5) Indicate the amount of any fees that the depository will, upon acquiring the status of suitable depository under paragraph (a)(2) of this section, charge for storage, viability statements and furnishings of samples of the deposit.

(c) A depository having status under paragraph (a)(2) of this section limited to certain kinds of biological material may extend such status to additional kinds of biological material by directing a communication to the Commissioner in accordance with paragraph (b) of this section. If a previous communication under paragraph (b) of this section is of record, items in common with the previous communication may be incorporated by reference.

(d) Once a depository is recognized to be suitable by the Commissioner or has defaulted or discontinued its performance under this section, notice thereof will be published in the *Official Gazette* of the Patent and Trademark Office.

§ 1.804 Time of making an original deposit.

(a) Whenever a biological material is specifically identified in an application for patent as filed, an original deposit thereof may be made at any time before filing the application for patent or, subject to § 1.809, during pendency of the application for patent.

(b) When the original deposit is made after the effective filing date of an application for patent, the applicant shall promptly submit a verified statement from a person in a position to corroborate the fact, and shall state, that the biological material which is deposited is a biological material specifically identified in the application as filed, except if the person is an attorney or agent registered to practice before the Office, in which case the statement need not be verified.

§ 1.805 Replacement or supplement of deposit.

(a) A depositor, after receiving notice during the pendency of an application for patent, application for reissue patent or reexamination proceeding, that the depository possessing a deposit either cannot furnish samples thereof or can furnish samples thereof but the deposit has become contaminated or has lost its capability to function as described in the specification, shall notify the Office in writing, in each application for patent or patent affected. In such a case, or where the Office otherwise learns, during the pendency of an application for patent, application for reissue patent or reexamination proceeding, that the depository possessing a deposit either cannot furnish samples thereof or can furnish samples thereof but the deposit has become contaminated or has lost its capability to function as described in the specification, the need for making a replacement or supplemental deposit will be governed by the same considerations governing the need for making an original deposit under the provisions set forth in § 1.802(b). A replacement or supplemental deposit made during the pendency of an application for patent shall not be accepted unless it meets the requirements for making an original deposit under these regulations, including the requirement set forth under § 1.804(b). A replacement or supplemental deposit made in connection with a patent, whether or not made during the pendency of an application for reissue patent or a reexamination proceeding or both, shall not be accepted unless a certificate of correction under § 1.323 is requested by the patent owner which meets the terms of paragraphs (b) and (c) of this section.

(b) A request for certificate of correction under this section shall not be granted unless the certificate identifies:

(1) The accession number for the replacement or supplemental deposit;

- (2) The date of the deposit; and
- (3) The name and address of the depository.
- (c) A request for a certificate of correction under this section shall not be granted unless the request is made promptly after the replacement or supplemental deposit has been made and:
 - (1) Includes a verified statement of the reason for making the replacement or supplemental deposit;
 - (2) Includes a verified statement from a person in a position to corroborate the fact, and shall state, that the replacement or supplemental deposit is of a biological material which is identical to that originally deposited;
 - (3) Includes a verified showing that the patent owner acted diligently—
 - (i) In the case of a replacement deposit, in making the deposit after receiving notice that samples could no longer be furnished from an earlier deposit, or
 - (ii) In the case of a supplemental deposit, in making the deposit after receiving notice that the earlier deposit had become contaminated or had lost its capability to function as described in the specification;
 - (4) Includes a verified statement that the term of the replacement or supplemental deposit expires no earlier than the term of the deposit being replaced or supplemented; and
 - (5) Otherwise establishes compliance with these regulations, except that if the person making one or more of the required statements or showing is an attorney or agent registered to practice before the Office, that statement or showing need not be verified.
- (d) A depositor's failure to replace a deposit, or in the case of a patent, to diligently replace a deposit and promptly thereafter request a certificate of correction which meets the terms of paragraphs (b) and (c) of this section, after being notified that the depository possessing the deposit cannot furnish samples thereof, shall cause the application or patent involved to be treated in any Office proceeding as if no deposit were made.
- (e) In the event a deposit is replaced according to these regulations, the Office will apply a rebuttable presumption of identity between the original and the replacement deposit where a patent making reference to the deposit is relied upon during any Office proceeding.
- (f) A replacement or supplemental deposit made during the pendency of an application for patent may be made for any reason.
- (g) In no case is a replacement or supplemental deposit of a biological material necessary where the biological material, in accordance with § 1.802(b), need not be deposited.
- (h) No replacement deposit of a biological material is necessary where a depository can furnish samples thereof but the depository for national security, health or environmental safety reasons is unable to provide samples to requesters outside of the jurisdiction where the depository is located.
- (i) The Office will not recognize in any Office proceeding a replacement deposit of a biological material made by a patent owner where the depository could furnish samples of the deposit being replaced.

§ 1.806 Term of deposit.

A deposit made before or during pendency of an application for patent shall be made for a term of at least thirty (30) years and at least five (5) years after the most recent request for the furnishing of a sample of the deposit was received by the depository. In any case, samples must be stored under agreements that would make them available beyond the enforceable life of the patent for which the deposit was made.

§ 1.807 Viability of deposit.

(a) A deposit of biological material that is capable of self-replication either directly or indirectly must be viable at the time of deposit and during the term of deposit. Viability may be tested by the depository. The test must conclude only that the deposited material is capable of reproduction. No evidence is necessarily required regarding the ability of the deposited material to perform any function described in the patent application.

(b) A viability statement for each deposit of a biological material defined in paragraph (a) of this section not made under the Budapest Treaty on the International Recognition of the

Deposit of Microorganisms for the Purposes of Patent Procedure must be filed in the application and must contain:

- (1) The name and address of the depository;
 - (2) The name and address of the depositor;
 - (3) The date of deposit;
 - (4) The identity of the deposit and the accession number given by the depository;
 - (5) The date of the viability test;
 - (6) The procedures used to obtain a sample if the test is not done by the depository; and
 - (7) A statement that the deposit is capable of reproduction.
- (c) If a viability test indicates that the deposit is not viable upon receipt, or the examiner cannot, for scientific or other valid reasons, accept the statement of viability received from the applicant, the examiner shall proceed as if no deposit has been made. The examiner will accept the conclusion set forth in a viability statement issued by a depository recognized under § 1.803(a).

§ 1.808 Furnishing of samples.

- (a) A deposit must be made under conditions that assure that:
 - (1) Access to the deposit will be available during pendency of the patent application making reference to the deposit to one determined by the Commissioner to be entitled thereto under § 1.14 and 35 U.S.C. 122, and
 - (2) Subject to paragraph (b) of this section, all restrictions imposed by the depositor on the availability to the public of the deposited material will be irrevocably removed upon the granting of the patent.
- (b) The depositor may contract with the depository to require that samples of a deposited biological material shall be furnished only if a request for a sample, during the term of the patent:
 - (1) Is in writing or other tangible form and dated;
 - (2) Contains the name and address of the requesting party and the accession number of the deposit; and
 - (3) Is communicated in writing by the depository to the depositor along with the date on which the sample was furnished and the name and address of the party to whom the sample was furnished.
- (c) Upon request made to the Office, the Office will certify whether a deposit has been stated to have been made under conditions which make it available to the public as of the issue date of the patent grant provided the request contains:
 - (1) The name and address of the depository;
 - (2) The accession number given to the deposit;
 - (3) The patent number and issue date of the patent referring to the deposit; and
 - (4) The name and address of the requesting party.

§ 1.809 Examination procedures.

(a) The examiner shall determine pursuant to § 1.104 in each application for patent, application for reissue patent or reexamination proceeding if a deposit is needed, and if needed, if a deposit actually made is acceptable for patent purposes. If a deposit is needed and has not been made or replaced or supplemented in accordance with these regulations, the examiner, where appropriate, shall reject the affected claims under the appropriate provision of 35 U.S.C. 112, explaining why a deposit is needed and/or why a deposit actually made cannot be accepted.

(b) The applicant for patent or patent owner shall respond to a rejection under paragraph (a) of this section by

(1) In the case of an applicant for patent, making an acceptable original or replacement or supplemental deposit or assuring the Office in writing that an acceptable deposit will be made on or before the date of payment of the issue fee, or, in the case of a patent owner, requesting a certificate of correction of the patent which meets the terms of paragraphs (b) and (c) of § 1.805, or

(2) Arguing why a deposit is not needed under the circumstances of the application or patent considered and/or why a deposit actually made should be accepted. Other replies to the examiner's action shall be considered non-responsive. The rejection will be repeated until either paragraph (b)(1) of this section is satisfied or the examiner is convinced that a deposit is not needed.

(c) If an application for patent is otherwise in condition for allowance except for a needed deposit and the Office has received a written assurance that an acceptable deposit will be made on or before payment of the issue fee, the Office will mail to the applicant a Notice of Allowance and Issue Fee Due together with a requirement that the needed deposit be made within three months. The period for satisfying this requirement is extendable under § 1.136. Failure to make the needed deposit in accordance with this requirement will result in abandonment of the application for failure to prosecute.

(d) For each deposit made pursuant to these regulations, the specification shall contain:

- (1) The accession number for the deposit;
- (2) The date of the deposit;
- (3) A description of the deposited biological material sufficient to specifically identify it and to permit examination; and
- (4) The name and address of the depository.

Dated: July 21, 1989

DONALD J. QUIGG
Assistant Secretary and Commissioner
of Patents and Trademarks

[1106 OG 37]

(125) Plant Life—Patentable Subject Matter

The decision by the Board of Patent Appeals and Interferences in *Ex Parte Hibberd* (Sept. 18, 1985) held that the Plant Patent Act (35 USC 161-164) and the Plant Variety Protection Act (7 USC 2321 et seq.) do not represent the exclusive forms of protection for plant life covered by these acts, and that there is no irreconcilable conflict between these plant-specific statutes and 35 USC 101. It is clear from the Board decision that plant life is not excluded from patent protection under 35 USC 101.

Accordingly, the Patent and Trademark Office is now examining applications including claims to plant life — e.g., plants per se, seeds, plant parts. To the extent that the claimed subject matter is directed to a “nonnaturally occurring manufacture or composition of matter — a product of human ingenuity” (*Diamond v. Chakrabarty*, 447 U.S. 303 (1980)), such claims will not be rejected under 35 USC 101 as being directed to unpatentable subject matter.

Oct. 8, 1985.

DONALD J. QUIGG,
Commissioner of Patents and
Trademarks—Designate.

[1060 OG 4]

(126) Animals—Patentability

A decision by the Board of Patent Appeals and Interferences in *Ex parte Allen*, 2 USPQ2d 1425 (Bd. App. & Int., Apr. 3, 1987), held that claimed polyploid oysters are nonnaturally occurring manufactures or compositions of matter within the meaning of 35 U.S.C. 101. The Board relied upon the opinion of the Supreme Court in *Diamond v. Chakrabarty*, 447 U.S. 303, 208 USPQ 193 (1980) as it had done in *Ex parte Hibbard*, 227 USPQ 443 (Bd. App. & Int., 1985), as controlling authority that Congress intended statutory subject matter to “include anything under the sun that is made by man.” The Patent and Trademark Office now considers nonnaturally occurring non-human multicellular living organisms, including animals, to be patentable subject matter within the scope of 35 U.S.C. 101.

The Board’s decision does not affect the principle and practice that products found in nature will not be considered to be patentable subject matter under 35 U.S.C. 101 and/or 102. An article of manufacture or composition of matter occurring in nature will not be considered patentable unless given a new form, quality, properties or combination not present in the original article existing in nature in accordance with existing law. See e.g. *Funk Bros. Seed Co. v. Kalo Inoculant Co.*, 333 U.S. 127, 76 USPQ 280 (1948); *American Fruit Growers v. Brodget*, 283 U.S. 1, 8 USPQ 131 (1931); *Ex Parte Grayson*, 51 USPQ 413 (Bd. App. 1941).

A claim directed to or including within its scope a human being will not be considered to be patentable subject matter under 35 U.S.C. 101. The grant of a limited, but exclusive property right in a human being is prohibited by the Constitution. Accordingly, it is suggested that any claim directed to a non-plant multicellular organism which would include a human being within its scope include the limitation “non-human” to avoid this ground of rejection. The use of a negative limitation to define the metes and bounds of the claimed subject matter is a permissible form of expression, *In re Wakefield*, 422 F.2d 897, 164 USPQ 636 (CCPA 1970).

Accordingly, the Patent and Trademark Office is now examining claims directed to multicellular living organisms, including animals. To the extent that the claimed subject matter is directed to a non-human “nonnaturally occurring manufacture or composition of matter — a product of human ingenuity” (*Diamond v. Chakrabarty*), such claims will not be rejected under 35 U.S.C. 101 as being directed to nonstatutory subject matter.

Apr. 7, 1987.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[1077 OG 24]

(127) Patentable Subject Matter

Mathematical Algorithms and Computer Programs

The following represents a recent legal analysis done by Associate Solicitor Lee E. Barrett, an attorney in the Office of the Solicitor of the Patent and Trademark Office, on the subject of the patentability of mathematical algorithms and computer programs. The analysis is published for the benefit of the public.

August 9, 1989

FRED E. McKELVEY
Solicitor

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Discussion

I. Statutory Subject Matter - 35 U.S.C. § 101

Inventions may be patented only if they fall within one of the four statutory classes of subject matter of 35 U.S.C. § 101: "process, machine, manufacture, or composition of matter." See *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 483, 181 USPQ 673, 679 (1974):

[N]o patent is available for a discovery, however useful, novel, and nonobvious, unless it falls within one of the express categories of patentable subject matter of 35 U.S.C. § 101.

Subject matter that does not fall within one of the statutory classes of 35 U.S.C. § 101 is said to be "nonstatutory" or to be "unpatentable subject matter."

The broad language of § 101 is intended to delineate a "general industrial boundary" of patentable invention. *In re Bergy*, 596 F.2d 952, 974 n.11, 201 USPQ 352, 372 n.11 (CCPA 1979), *vacated*, 444 U.S. 1028, *aff'd sub nom.*, *Diamond v. Chakrabarty*, 447 U.S. 303, 206 USPQ 193 (1980). The first statutory class, process, is defined in 35 U.S.C. § 100(b) and refers to *acts*, while the last three classes, machine, manufacture and composition of matter, refer to physical *things*; therefore, the general field of patentable invention consists of new acts and new things. *Id.* The classes relevant to this discussion are "process" and "machine." A "process" is equivalent to a "method." *Bergy*, 596 F.2d at 965, 201 USPQ at 364. The term "machine" is used interchangeably with "apparatus." *In re Prater*, 415 F.2d 1393, 1395 n.11, 162 USPQ 541, 543 n.11 (CCPA 1969).

The question of whether a claimed invention satisfies the other conditions for patentability is "wholly apart from whether the invention falls into a category of statutory subject matter" (emphasis deleted). *Diamond v. Diehr*, 450 U.S. 175, 190, 209 USPQ 1, 9 (1981) (citing *Bergy*, 596 F.2d at 961, 201 USPQ at 361). As stated in *Parker v. Flook*, 437 U.S. 584, 593, 198 USPQ 193, 198-99 (1978):

The obligation to determine what type of discovery is sought to be patented must precede the determination of whether that discovery is, in fact, new [i.e., novel under § 102] or obvious [§ 103].

See also *In re Sarkar*, 588 F.2d 1330, 1333 n.10, 200 USPQ 132, 137 n.10 (CCPA 1978) ("If the subject matter as claimed is subject to patenting, i.e., if it falls within § 101, it must then be examined for compliance with §§ 102 and 103").

Legislative history indicates that Congress contemplated that the subject matter provisions be given a broad construction and were intended to "include anything under the sun that is made by man." *Diamond v. Chakrabarty*, 447 U.S. at 309, 206 USPQ at 197. Any process, machine, manufacture, or composition of matter constitutes statutory subject matter *unless* it falls within a judicially determined exception to § 101. *In re Pardo*, 684 F.2d 912, 916, 214 USPQ 673, 677 (CCPA 1982). Exceptions include laws of nature, physical phenomena and abstract ideas. *Diehr*, 450 U.S. at 185, 209 USPQ at 7, and cases cited therein. This analysis addresses whether mathematical algorithms and computer programs are statutory subject matter.

II. Mathematical Algorithms

A. Mathematical algorithms *per se* are not a statutory "process" under § 101

A mathematical algorithm is defined as a "procedure for solving a given type of mathematical problem." *Gottschalk v. Benson*, 409 U.S. 63, 65, 175 USPQ 673, 674 (1972); *Flook*, 437 U.S. at 585 n.1, 198 USPQ at 195 n.1; *Diehr*, 450 U.S. at 186, 209 USPQ at 8. Mathematical algorithms are nonstatutory because they have been determined not to fall within the § 101 statutory class of a "process." *Benson*. "[A]n algorithm, or mathematical formula, is like a law of nature, which cannot be the subject of a patent." *Diehr*, 450 U.S. at 186, 209 USPQ at

8. The exception applies only to *mathematical* algorithms since any process is an "algorithm" in the sense that it is a step-by-step procedure to arrive at a given result. *In re Walter*, 618 F.2d 758, 764 n.4, 205 USPQ 397, 405 n.4. (CCPA 1980); *Pardo*, 684 F.2d at 915, 214 USPQ at 676.

Although mathematical algorithms *per se* are nonstatutory, as stated in *Diehr*, 450 U.S. at 187-88, 209 USPQ at 8-9:

[A] claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula, computer program, or digital computer. . . . [I]n *Parker v. Flook* we stated that "a process is not unpatentable simply because it contains a law of nature or a mathematical algorithm." 437 U.S. at 590. It is now commonplace that an *application* of a law of nature or mathematical formula to a known structure or process may well be deserving of patent protection. As Justice Stone explained four decades ago:

"While a scientific truth, or the mathematical expression of it, is not a patentable invention, a novel and useful structure created with the aid of knowledge of scientific truth may be." *Mackay Radio & Telegraph Co. v. Radio Corp. of America*, 306 U.S. 86, 94 (1939). [Citations omitted.]

The Supreme Court thus recognizes that mathematical algorithms are "the basic tools of scientific and technological work," *Benson*, 409 U.S. at 67, 175 USPQ at 675, and should not be the subject of exclusive rights, whereas technological application of scientific principles and mathematical algorithms furthers the constitutional purpose of promoting "the Progress of . . . Useful arts." U.S. Const. art. I, § 8. It is also recognized that mathematical algorithms may be the most precise way to describe the invention.

Where claims involve mathematical algorithms, as stated in *In re Abele*, 684 F.2d 902, 907, 214 USPQ 682, 687 (CCPA 1982):

The goal is to answer the question "What did applicants invent?" If the claimed invention is a mathematical algorithm, it is improper subject matter for patent protection, whereas if the claimed invention is an application of the algorithm, § 101 will not bar the grant of a patent.

The tests for determining whether claims containing mathematical algorithms are statutory have gradually evolved in the courts since the Supreme Court's decision in *Benson* in 1972.

B. Evolution of the two-part test for mathematical algorithm-statutory subject matter

The proper legal analysis of mathematical algorithm-statutory subject matter cases is the two-part test of *In re Freeman*, 573 F.2d 1237, 197 USPQ 464 (CCPA 1978), as modified by *Walter and Abele*. See *In re Meyer*, 688 F.2d 789, 796, 215 USPQ 193, 198 (CCPA 1982) ("A more comprehensive test for cases involving mathematical algorithms is set forth in *In re Abele*"). A review of the evolution of the analysis provides some useful insights into the application of the test.

In *Benson*, the Supreme Court concluded that claims directed to a particular algorithm for converting binary coded decimal numbers to binary numbers was not statutory subject matter. The Supreme Court further concluded that any patent issued on those claims "would wholly pre-empt the mathematical formula and in practical effect would be a patent on the algorithm itself." 409 U.S. at 72, 175 USPQ at 676. These two conclusions formed the basis for the two-part analysis of the Court of Customs and Patent Appeals (CCPA) in *Freeman*, 573 F.2d at 1245, 197 USPQ at 471:

First, it must be determined whether the claim directly or indirectly recites an "algorithm" in the *Benson* sense of that term, for a claim which fails even to recite an algorithm clearly cannot wholly preempt an algorithm. Second, the claim must be further analyzed to ascertain whether in its entirety it wholly preempts that algorithm.

In 1978, the Supreme Court held in *Flook* that a claim need "not . . . cover every conceivable application of the formula"

to be nonstatutory. 437 U.S. at 586, 198 USPQ at 196. This decision left undefined what constitutes statutory subject matter. In *Walter*, the CCPA modified the second step of *Freeman* to require a more positive approach to determining what is claimed, 618 F.2d at 767, 205 USPQ at 407:

If it appears that the mathematical algorithm is implemented in a specific manner to define structural relationships between the physical elements of the claim (in apparatus claims) or to refine or limit claim steps (in process claims), the claim being otherwise statutory, the claim passes muster under § 101. If, however, the mathematical algorithm is merely presented and solved by the claimed invention, as was the case in *Benson* and *Flook*, and is not applied in any manner to physical elements or process steps, no amount of post-solution activity will render the claim statutory; nor is it saved by a preamble merely reciting the field of use of the mathematical algorithm.

The CCPA noted that while the second step of *Freeman* was "stated in terms of preemption" it had consistently been applied "in the spirit of the foregoing principles." 618 F.2d at 767, 205 USPQ at 407.

In *Abele*, the CCPA further modified the second part of the test to provide a more comprehensive test, 684 F.2d at 906-7, 214 USPQ at 686:

Appellants summarize the *Walter* test as setting forth two ends of a spectrum: what is now clearly nonstatutory, i.e., claims in which an algorithm is merely presented and solved by the claimed invention (preemption), and what is clearly statutory, i.e., claims in which an algorithm is implemented in a specific manner to define structural relationships between the physical elements of the claim (in an apparatus claim) or to refine or limit steps (in a process). Appellants urge that the statement of the test in *Walter* fails to provide a useful tool for analyzing claims in the "gray area" which falls between the two ends of that spectrum. We agree that the board's understanding and application of the *Walter* analysis justifies appellant's position. However, the *Walter* analysis quoted above does not limit patentable subject matter only to claims in which structural relationships or process steps are defined, limited or refined by the application of the algorithm.

Rather, *Walter* should be read as requiring no more than that the algorithm be "applied in any manner to physical elements or process steps," provided that its application is circumscribed by more than a field of use limitation or non-essential post-solution activity. Thus, if the claim would be "otherwise statutory," *id.*, albeit inoperative or less useful without the algorithm, the claim likewise presents statutory subject matter when the algorithm is included. This broad reading of *Walter*, we conclude, is in accord with the Supreme Court decisions [holding "that a claim drawn to subject matter otherwise statutory does not become nonstatutory simply because it uses a mathematical formula, computer program, or digital computer," *Diamond v. Diehr*, 450 U.S. at 187, 209 USPQ at 8].

The reason for the modification of the test was because, as noted in *Abele*, 684 F.2d at 909, 214 USPQ at 688:

The algorithm [in *Abele*] does not necessarily refine or limit the earlier steps of production and detection as would be required to achieve the status of patentable subject matter by the board's narrow reading of *Walter*.

The second test of *Abele* suggests that the determination of whether the algorithm is "applied in any manner to physical element or process steps" may be made by viewing the claims without the algorithm and determining whether what remains is "otherwise statutory." This analysis focuses on identifying the statutory process in the claim and is consistent with previous cases such as *Walter*, 618 F.2d at 769, 205 USPQ at 409 ("Examination of each claim demonstrates that each has no substance apart from the calculations involved"). The technique

of viewing the claim without the mathematical algorithm is not inconsistent with the requirement that claims must be considered "as a whole" under § 101.

The requirement that claims be considered "as a whole" arose out of the now rejected "point of novelty" approach to statutory subject matter. Under the "point of novelty" approach, if a claim considered without the nonstatutory subject matter was unpatentable over the prior art (i.e., if the algorithm was at the "point of novelty" of the claim), the claims were found to not recite statutory subject matter. This approach was consistently rejected by the CCPA. See *In re Chatfield*, 545 F.2d 152, 191 USPQ 730 (CCPA 1976), *cert. denied*, 434 U.S. 875 (1977); *In re Deutsch*, 553 F.2d 689, 193 USPQ 645 (CCPA 1977); *In re Castelet*, 562 F.2d 1236, 195 USPQ 439 (CCPA 1977); *Freeman*; *Sarkar*; *Walter*. The point of novelty approach was finally put to rest in *Diehr*, 450 U.S. at 188-89, 209 USPQ at 9:

In determining the eligibility of respondents' claimed process for patent protection under § 101, their claims must be considered as a whole. It is inappropriate to dissect the claims into old and new elements and then to ignore the presence of the old elements in the analysis. . . . The "novelty" of any element or steps in a process, or even of the process itself, is of no relevance in determining whether the subject matter of a claim falls within the § 101 categories of possibly patentable subject matter.

Under the second test of *Abele*, the claims are considered without the algorithm to determine whether what remains is "otherwise statutory," not to determine whether what remains is novel and nonobvious.

C. Application of the two-part test

1. Step 1 - presence of a mathematical algorithm a. Mathematical algorithm

A mathematical algorithm is a "procedure for solving a given type of mathematical problem." In this sense, a mathematical algorithm refers "to methods of calculation, mathematical formulas, and mathematical procedures generally." *Walter*, 618 F.2d at 764-65 n.4, 205 USPQ at 405 n.4. "The type of mathematical computation involved does not determine whether a procedure is statutory or nonstatutory." *In re Gelnovatch*, 595 F.2d 32, 41, 201 USPQ 136, 145 (CCPA 1979). A "claim for an improved method of calculation, even when tied to a specific end use, is unpatentable subject matter under § 101." *Flook*, 437 U.S. at 595 n.18, 198 USPQ at 199 n.18.

Mathematical algorithms may represent scientific principles, laws of nature, or ideas or mental processes for solving complex problems. See *Meyer*, 688 F.2d at 794-95, 215 USPQ at 197:

Scientific principles, such as the relationship between mass and energy [$E = mc^2$], and laws of nature, such as the acceleration of gravity, namely $a = 32 \text{ ft./sec.}^2$, can be represented in mathematical format. However, some mathematical algorithms and formulae do not represent scientific principles or laws of nature; they represent ideas or mental processes and are simply logical vehicles for communicating possible solutions to complex problems.

See also *Safe Flight Instrument Corp. v. Sundstrand Data Control, Inc.*, 706 F. Supp. 1146, 10 USPQ2d 1733 (D.Del. 1989) (mathematical algorithm representing a natural phenomenon, windshear). No distinction is made between mathematical algorithms invented by man, and mathematical algorithms representing discoveries of scientific principles and laws of nature which reveal a relationship that has always existed.

b. "Process" versus "apparatus" claims

Since mathematical algorithms have been determined not to fall within the § 101 statutory class of a "process," attempts have been made to circumvent the nonstatutory subject matter rejection by drafting mathematical algorithms as "machine" claims. The technique used is to draft the method steps in terms of "means for" language permitted by 35 U.S.C. § 112, sixth paragraph. While such a claim is technically a "machine" or "apparatus" claim, the courts have held that form of the claim

does not control whether the subject matter is statutory. *See In re Maucorps*, 609 F.2d 481, 485, 203 USPQ 812, 815-16 (CCPA 1979):

Labels are not determinative in § 101 inquiries. "*Benson* applies equally whether an invention is claimed as an apparatus or process, because the form of the claim is often an exercise in drafting." *In re Johnson*, 589 F.2d 1070, 1077, 200 USPQ 199, 206 ([CCPA] 1978). "Though a claim expressed in 'means for' (functional) terms [under 35 U.S.C. § 112, sixth paragraph] is said to be an apparatus claim, the subject matter as a whole of that claim may be indistinguishable from that of a method claim drawn to the steps performed by the 'means.'" *In re Freeman*, 573 F.2d at 1247, 197 USPQ at 472. Moreover, that the claimed computing system may be a "machine" within "the ordinary sense of the word," as appellant argues, is irrelevant. The holding in *Benson* "forecloses a purely literal reading of § 101."

The test for determining whether "means for" apparatus claims should be treated as method claims is stated in *Walter*, 618 F.2d at 768, 205 USPQ at 408:

If the functionally-defined disclosed means and their equivalents are so broad that they encompass any and every means for performing the recited functions, the apparatus claim is an attempt to exalt form over substance since the claim is really to the method or series of functions itself. . . . In such cases the burden must be placed on the applicant to demonstrate that the claims are truly drawn to specific apparatus distinct from other apparatus capable of performing the identical functions.

If this burden has not been discharged, the apparatus claim will be treated as if it were drawn to the method or process which encompasses all of the claimed "means." *See In re Maucorps*, 609 F.2d at 485, 203 USPQ at 815-816; *In re Johnson*, 589 F.2d at 1077, 200 USPQ at 206; *In re Freeman*, 573 F.2d at 1247, 197 USPQ at 472. The statutory nature of the claim under § 101 will then depend on whether the corresponding method is statutory.

See also Meyer, 688 F.2d at 795 n.3, 215 USPQ at 198 n.3; *Abele*, 684 F.2d at 909, 214 USPQ at 688; *Pardo*, 684 F.2d at 916 n.6, 214 USPQ at 677 n.6; *Arshal v. United States*, 621 F.2d 421, 427-28, 208 USPQ 397, 404 (Ct. Cl. 1980), *cert. denied*, 449 U.S. 1077 (1981), *reh'g denied*, 450 U.S. 1050 (1981). In *Maucorps*, the limitation of various "means" in claim 1 to include certain "electric circuits" did not prevent the claim from being treated as a method. A claim is not presumed to be statutory simply because it is in apparatus form.

c. Form of the mathematical algorithm

The first step of the analysis is to determine whether the claim directly or indirectly recites a mathematical algorithm. A mathematical algorithm can appear in many forms. As stated in *Freeman*, 573 F.2d at 1246, 197 USPQ at 471:

The manner in which a claim recites a mathematical algorithm may vary considerably. In some claims, a formula or equation may be expressed in traditional mathematical symbols so as to be immediately recognizable as a mathematical algorithm. *See, e.g., In re Richman*, 563 F.2d 1026, 195 USPQ 340 ([CCPA] 1977); *In re Flook*, 559 F.2d 21, 195 USPQ 9 ([CCPA] 1977), *cert. granted sub nom., Parker v. Flook*, [437 U.S. 584] (1978). Other claims may use prose to express a mathematical computation or to indirectly recite a mathematical equation or formula by means of a prose equivalent therefor. *See, e.g., In re de Castelet, supra* (claims 6 and 7); *In re Waldbaum*, 559 F.2d 611, 194 USPQ 465 ([CCPA] 1977). A claim which substitutes, for a mathematical formula in algebraic form, "words which mean the same thing," nonetheless recites an algorithm in the *Benson* sense. *In re Richman, supra* 563 F.2d at 1030, 195 USPQ at 344. Indeed, the claims at issue in *Benson* did not contain a formula or equation expressed in mathematical symbols.

Claims which include mathematical formulas or calculations expressed in mathematical symbols clearly include a mathematical algorithm. Mathematical algorithms in prose form may be expressed as literal translations of the mathematical algorithm (e.g., substituting the expression "division" or "taking the ratio" for a division sign) or may be expressed in words which indicate the mathematical algorithm. *See Safe Flight Instrument*, 706 F. Supp. at 1148, 10 USPQ2d at 1734 (subtracting); *Abele*, 684 F.2d at 908 n.8, 214 USPQ at 687 n.8 ("The algorithm, calculating the difference, is defined in the specification as a Gaussian weighting function"); *In re Taner*, 681 F.2d 787, 790, 214 USPQ 678, 681 (CCPA 1982) (summing); *In re Johnson*, 589 F.2d 1070, 1079, 200 USPQ 199, 208 (CCPA 1978) ("computing" connotes the execution of one or a sequence of mathematical operations"); *In re Waldbaum*, 559 F.2d 611, 194 USPQ 465 (CCPA 1977) (method of claim 1 "to count" the number of busy lines "solves a mathematical problem, to wit, counting a number of busy lines in a telephone system," *In re Bradley*, 600 F.2d 807, 810 n.4, 202 USPQ 480, 484 n.4 (CCPA 1979), *aff'd by an equally divided court sub nom., Diamond v. Bradley*, 450 U.S. 381, 209 USPQ 97 (1981)).

It is not always possible to determine by inspection of the claim whether it indirectly recites a mathematical algorithm; in such instances the analysis "requires careful interpretation of each claim in the light of its supporting disclosure." *Johnson*, 589 F.2d at 1079, 200 USPQ at 208. *See also id.* at 1078-79, 200 USPQ at 208 ("the flow diagrams which form part of the specification disclose explicit mathematical equations which are to be used in conjunction with each of these [claimed] steps [of 'determining' or 'correlating']"); *Waldbaum*, 559 F.2d 611, 194 USPQ 465 ("series of steps for manipulating binary numbers within a procedure for calculating the number of binary 1's and 0's present" was considered a mathematical algorithm, *Gelnovatch*, 595 F.2d at 39, 201 USPQ at 143); *In re Sherwood*, 613 F.2d 809, 818, 204 USPQ 537, 545 (CCPA 1980), *cert. denied*, 450 U.S. 994 (1981) ("claims must be said to include the indirect recitation of a mathematical equation"); *Meyer*, 688 F.2d at 795, 215 USPQ at 198 (claims indirectly "recite a mathematical algorithm, which represents a mental process that a neurologist should follow").

2. Step 2- is the mathematical algorithm "applied in any manner to physical elements or process steps?"

The second test is to determine whether the mathematical algorithm is "applied in any manner to physical elements or process steps." The guideline for the analysis should be the CCPA's suggestion in *Abele* to view the claim without the mathematical algorithm to determine whether what remains is "otherwise statutory"; if it is, it does not become nonstatutory simply because it uses a mathematical algorithm. It is recognized that "[t]he line between a patentable 'process' and an unpatentable 'principle' is not always clear." *Flook*, 437 U.S. at 589, 198 USPQ at 197. There are no definitive "tests for determining whether a claim positively recites statutory subject matter." *Meyer*, 688 F.2d at 796 n.4, 215 USPQ at 198 n.4. Nevertheless, some useful guidelines may be synthesized out of the court decisions.

a. Post-solution activity

If the only limitation aside from the mathematical algorithm is insignificant or non-essential "post-solution activity," the claimed subject matter is nonstatutory. *Flook*, 437 U.S. at 590, 198 USPQ at 197:

The notion that post-solution activity . . . can transform an unpatentable principle into a patentable process exalts form over substance. A competent draftsman could attach some form of post-solution activity to almost any mathematical formula; the Pythagorean theorem would not have been patentable, or partially patentable, because a patent application contained a final step indicating that the formula, when solved, could be usefully applied to existing surveying techniques.

Insignificant post-solution activity by itself is insufficient to constitute a statutory process. In *Flook*, the final step of adjusting

an alarm limit was not sufficient. *See also Safe Flight* (final step of "means for processing said windshear signal to provide an indication representing the magnitude thereof" not sufficient); *Abele*, 684 F.2d at 909, 214 USPQ at 688 (final step of display: "that the result is displayed as a shade of gray rather than as simply a number provides no greater or better information, considering the broad range of applications encompassed by the claims"); *Walter*, 618 F.2d at 770, 205 USPQ at 409 (final step in dependent claim of magnetic recording: "If § 101 could be satisfied by the mere recollection of the results of a nonstatutory process on some record medium, even the most unskilled patent draftsman could provide for such a step"); *Gelnovatch*, 595 F.2d at 41 n.7, 201 USPQ at 145 n.7 (final step of storing outputs: "each of the steps of the claimed process, except perhaps the final step of equating the process outputs to the values of the last set of process inputs, directly or indirectly recites a mathematical computation"); *Sarkar*, 588 F.2d at 1332 n.6, 200 USPQ at 136 n.6 (final step of constructing an obstruction at a location determined by a mathematical model: "Sarkar no longer relies upon bridge of dam construction as post-solution activity steps effective to bring his process within § 101"); *de Castelet*, 562 F.2d at 1244, 195 USPQ at 446 (final step of transmitting: "That the computer is instructed to transmit electrical signals, representing the result of its calculations . . . does not transform the claim into one for a process merely using an algorithm").

The absence of post-solution activity or the fact that any post-solution activity may be trivial is only one factor to be considered. On one hand, as stated in *Walter*, 618 F.2d at 767-68, 205 USPQ at 407:

if the end-product of a claimed invention is a *pure number*, as in *Benson* and *Flook*, the invention is non-statutory regardless of any post-solution activity which makes it available for use by a person or machine for other purposes.

On the other hand, as stated in *Abele*, 684 F.2d at 908 n.9, 214 USPQ at 687 n.9:

"the fact that [the] equation is the final step is not determinative of the section 101 issue." *In re Richman*, 563 F.2d at 1030, 195 USPQ at 343. *Accord, In re Taner*, 681 F.2d 787 (CCPA 1982), *overruling In re Christensen*, 478 F.2d 1392, 178 USPQ 35 (CCPA 1973).

The particular order of the steps should not be determinative of the statutory subject matter inquiry.

b. Field of use limitations

A mathematical algorithm is not made statutory by "attempting to limit the use of the formula to a particular technological environment." *Diehr*, 450 U.S. at 191, 209 USPQ at 10. Thus, "field of use" or "end use" limitations in the claim preamble are insufficient to constitute a statutory process. This is consistent with the usual treatment of preambles as merely setting forth the environment. *See Flook* (the preamble, while limiting the application of the claimed method to "a process comprising the catalytic chemical conversion of hydrocarbons" did not serve to render the method statutory); *Walter*, 618 F.2d at 769, 205 USPQ at 409 ("Although the claim preambles relate the claimed invention to the art of seismic prospecting, the claims themselves are not drawn to methods of or apparatus for seismic prospecting"); *de Castelet*, 562 F.2d at 1244 n.6, 195 USPQ at 446 n.6 ("The potential for misconstruction of preamble language requires that compelling reason exist before that language may be given weight"). *Compare Waldbaum*, 559 F.2d at 616 n.6, 194 USPQ 469 n.6 (portion of preambles referred to in method portion of claims "are necessary for completeness of the claims and are proper limitations thereto").

c. Data-gathering steps

If the only limitations in the claims in addition to the mathematical algorithm are data-gathering steps which "merely determine values for the variables used in the mathematical formulae used in making the calculations," such antecedent steps are insufficient to change a nonstatutory method of calculation

into a statutory process. *See In re Richman*, 563 F.2d at 1030, 195 USPQ at 343; *Sarkar*, 588 F.2d at 1335, 200 USPQ at 139 ("If the steps of gathering and substituting values were alone sufficient, every mathematical equation, formula, or algorithm having any practical use would be per se subject to patenting as a 'process' under § 101"); *Gelnovatch*, 595 F.2d at 41 n.7, 201 USPQ at 145 n.7 ("claimed step of perturbing the values of a set of process inputs (step 3), in addition to being a mathematical operation, appears to be a data-gathering step"). Where the claim "presents data gathering steps not dictated by the algorithm but by other limitations which require certain antecedent steps" the claim may present statutory subject matter. *Abele*, 684 F.2d at 908, 214 USPQ at 687.

d. Transformation of something physical

In determining whether the claim recites a statutory process or a nonstatutory mathematical algorithm, it is useful to analyze whether there is transformation of something physical into a different form. One distinction is made between transformation of physical "signals" from one physical state to a different physical state, a statutory process in the electrical arts, and mere mathematical manipulation of "data" which, by itself, is not a statutory process. *Compare Taner* (conversion of "substantially spherical seismic signals" into "a form representing the earth's response to cylindrical or plane waves" was statutory process); *Sherwood*, 613 F.2d at 819, 204 USPQ at 546 (conversion of amplitude-versus-time seismic traces into amplitude-versus-depth seismic traces was statutory process because it "converts one physical thing into another physical thing just as any other electrical circuitry would do"); and *Johnson* (technique for removing unwanted noise from a seismic trace was statutory process); *with Walter*, 618 F.2d at 768, 770, 205 USPQ at 407, 409 (if "the claimed invention produces a physical thing . . . the fact that it is represented in numerical form does not render the claim nonstatutory" but finding that the "signals" claimed "may represent either physical quantities or abstract quantities" and thus were to the algorithm itself and not a particular application); *Richman* (method of calculating airborne radar boresight correction angle from "a plurality of signal sets" not statutory); *Gelnovatch*, 595 F.2d at 42, 201 USPQ at 145 (where "the claims solely recite a method whereby a set of numbers is computed from a different set of numbers by merely performing a series of mathematical computations, the claims do not set forth a statutory process"); and *Benson* (conversion of binary coded decimal numbers into pure binary numbers not statutory). It is manifest that the statutory nature of the subject matter does not depend on the labels "signals" or "data."

e. Structural limitations in process claims

Another issue is the effect of structural limitations in method claims. While structural limitations in method claims are not improper, they are usually not entitled to patentable weight unless they somehow affect or form an essential part of the process. *See Benson*, 409 U.S. at 73, 175 USPQ at 677 (claim 8 recited use of a "reentrant shift register"); *Waldbaum*, 559 F.2d at 616, 194 USPQ at 469 (machine limitations in data processor method claims); *de Castelet*, 562 F.2d at 1244, 195 USPQ at 447 ("Claims to nonstatutory processes do not automatically and invariably become patentable upon incorporation of reference to apparatus"). The related problem of specific structural language in apparatus claims has been treated, *supra*, in section II.C.1.b.

D. Examples

1. *Diamond v. Diehr*

The following claim was held to recite statutory subject matter.

1. A method of operating a rubber-molding press for precision molded compounds with the aid of a digital computer, comprising: providing said computer with a data base for said press including at least, natural logarithm conversion data (ln), the activation energy constant (C) unique to each batch of said compound being molded, and a constant (x) dependent upon the geometry of the par-

ticular mold of the press, initiating an interval timer in said computer upon the closure of the press for monitoring the elapsed time of said closure, constantly determining the temperature (Z) of the mold at a location closely adjacent to the mold cavity in the press during molding, constantly providing the computer with the temperature (Z), repetitively calculating in the computer, at frequent intervals during each cure, the Arrhenius equation for reaction time during the cure, which is $\ln v = CZ + x$ where v is the total required cure time, repetitively comparing in the computer at said frequent intervals during the cure each said calculation of the total required cure time calculated with the Arrhenius equation and said elapsed time, and opening the press automatically when a said comparison indicates equivalence.

Step 1 The claim contains an equation for controlling the in-mold time: $\ln v = CZ + x$.

Step 2 The claimed subject matter is statutory because it recites an "otherwise statutory" process in addition to the mathematical algorithm. As stated in *Abele*, 684 F.2d at 907, 214 USPQ at 686:

In *Diehr*, were the claims to be read without the algorithm, the process would still be a process for curing rubber, although it might not work as well since the in-mold time would not be as accurately controlled.

The steps in the process, 450 U.S. at 187, 209 USPQ at 8:

include installing rubber in a press, closing the mold, constantly determining the temperature of the mold, constantly recalculating the appropriate cure time through the use of the formula and a digital computer, and automatically opening the press at the proper time.

The statutory nature of the claim is not based on the post-solution activity of opening the press, but on the application of the mathematical algorithm to the whole process.

2. *Parker v. Flook*

The following claim in *Flook* was held to recite nonstatutory subject matter.

1. A method for updating the value of at least one alarm limit on at least one process variable involved in a process comprising the catalytic chemical conversion of hydrocarbons wherein said alarm limit has a current value of

$$Bo + K$$

wherein Bo is the current alarm base and K is a predetermined alarm offset which comprises:

- (1) determining the present value of said process variable, said present value being defined as PVL;
- (2) determining a new alarm base B1 using the following equation:

$$B1 = Bo(1.0 - F) + PVL(F)$$

where F is a predetermined number greater than zero and less than 1.0;

- (3) determining an updated alarm limit which is defined as B1 + K; and thereafter
- (4) adjusting said alarm limit to said updated alarm limit value.

Step 1 The claim contains a mathematical algorithm comprising determining a new alarm base in step (2) and computing an "alarm limit" in step (3).

Step 2 When viewed without the steps of the mathematical algorithm, steps (2) and (3), the only limitations remaining are the preamble limitation restricting the field of use to "a process comprising the catalytic chemical conversion of hydrocarbons"; the data-gathering step of step (1); and the post-solution step of step (4). None of these limitations comprises an "otherwise statutory" process. The claim seeks to protect a method for

computing an "alarm limit" rather than the application of the computation within an otherwise statutory process.

3. *In re Abele*

In *Abele*, claim 5 was held to recite nonstatutory subject matter under § 101 whereas dependent claim 6 was statutory.

5. A method of displaying data in a field comprising the steps of calculating the difference between the local value of the data at a data point in the field and the average value of the data in a region of the field which surrounds said point for each point in said field, and displaying the value of said difference as a signed gray scale at a point in a picture which corresponds to said data point.

6. The method of claim 5 wherein said data is X-ray attenuation data produced in a two dimensional field by a computed tomography scanner.

Step 1 Claim 5 contains a mathematical algorithm, "calculating the difference," which is defined in the specification as a Gaussian weighting function.

Step 2 When claim 5 is viewed without the mathematical algorithm, the only remaining limitation is the post-solution activity of displaying the result. The display by itself did not constitute an "otherwise statutory" process. The court held that "the algorithm is neither explicitly nor implicitly applied to any certain process." 684 F.2d at 909, 214 USPQ at 688. However, when dependent claim 6 is added to the limitations of claim 5, 684 F.2d at 908, 214 USPQ at 687-88:

Were we to view the claim absent the algorithm, the production, detection and display steps would still be present and would result in a conventional CAT-scan process. . . . [W]e view the production, detection, and display steps as manifestly statutory subject matter and are not swayed from this conclusion by the presence of an algorithm in the claimed method.

III. Computer Programs

A. "Computer programs" versus "computer processes"

A "process" or "algorithm" is a step-by-step procedure to arrive at a given result. In the patent area, a "computer process" or "computer algorithm" is a process, i.e., a series of steps, which is performed by a computer. A "[computer] program is a sequence of coded instructions for a digital computer." *Benson*, 409 U.S. at 65, 175 USPQ at 674. Computer programs are equivalently known as "software."

Unfortunately for discussion in this area, "[b]oth the series of steps performed by a computer, and the software directing those steps, have acquired the name 'computer programs.'" *Gelnovatch*, 595 F.2d at 45 n.5, 201 USPQ at 148 n.5 (Markey, C.J., dissenting). What is sought to be protected by patent is the underlying process. As stated in *Gelnovatch*, 595 F.2d at 44, 201 USPQ at 147:

Confusion may be avoided if it be realized that what is at issue is not the "program," i.e., the software, but the process steps which the software directs the computer to perform.

See, e.g., *Maucorps*, 609 F.2d at 483, 203 USPQ at 814 ("The [claimed] invention is implemented via a computer program written in FORTRAN IV, either built into the calculating machine, or loaded into a general purpose computer").

B. Statutory nature of computer processes

1. The Supreme Court has not ruled on the patentability of computer programs.

The Supreme Court has not ruled on whether computer processes are *per se* statutory or nonstatutory. The decisions in *Benson*, *Flook* and *Diehr* all dealt with claims viewed as mathematical algorithms. In *Benson* and *Diehr*, the claims contained mathematical algorithms implemented by a computer. In *Benson*, the Court held that the claims preempted the use of the mathematical algorithm, but did not hold that "any program servicing a computer" would be nonstatutory. In *Diehr*, the

Court held that the claims otherwise defined a statutory process for curing rubber, and that the inclusion of a mathematical algorithm or computer program did not make claim nonstatutory. The claim in *Flook* did not involve a computer process.

In *Dann v. Johnston*, 425 U.S. 219, 189 USPQ 257 (1976), *rev'd on other grounds*, *In re Johnston*, 502 F.2d 765, 183 USPQ 172 (CCPA 1974), which involved a "machine system for automatic record-keeping of bank checks and deposits," the Court declined to discuss the § 101 issue of the general patentability of computer programs, 425 U.S. at 220, 189 USPQ at 258:

We find no need to treat that question in this case, however, because we conclude that in any event respondent's system is unpatentable on grounds of obviousness. 35 U.S.C. § 103.

In *Diamond v. Bradley*, an equally divided Supreme Court affirmed the CCPA's decision in *Bradley*. The claims were directed to computer "firmware," which refers to microinstructions permanently embodied in hardware elements, and not to a computer application or process. The CCPA found that the claims literally recited a machine and that, in applying the two-part test of *Freeman*, the claims did not recite a mathematical algorithm.

2. The CCPA has held that computer processes are statutory unless they fall within a judicially determined exemption

In *Pardo*, the most recent CCPA case on computer processes, the CCPA stated that, 684 F.2d at 916, 214 USPQ at 677:

any process, machine, manufacture, or composition of matter constitutes statutory subject matter unless it falls within a judicially determined exception to section 101.

The major (and perhaps only) exception in the area of computer processes is the mathematical algorithm. Although not binding precedent on the Federal Circuit, the district court in *Paine, Webber, Jackson & Curtis, Inc. v. Merrill Lynch, Pierce, Fenner & Smith*, 564 F. Supp. 1358, 1367, 218 USPQ 212, 218 (D. Del. 1983) stated:

The CCPA [has] . . . held that a computer algorithm, as opposed to a mathematical algorithm, is patentable subject matter.

If a computer process claim does not contain a mathematical algorithm in the *Benson* sense, the second step of the *Freeman-Walter-Abele* test is not reached, and the claimed subject matter will usually be statutory.

The traditional approach by the CCPA to the PTO's rejection of computer processes as nonstatutory subject matter has been to apply the two-part test for mathematical algorithms and to find statutory subject matter if the claims do not recite a mathematical algorithm. See *Pardo*, 684 F.2d at 916, 214 USPQ at 676 (process for converting source program into object program: "we are unable to find any mathematical formula, calculation, or algorithm either directly or indirectly recited in the claimed steps of examining, compiling, storing, and executing"); *In re Toma*, 575 F.2d 872, 877, 197 USPQ 852, 856 (CCPA 1978) (process for translating a source natural language, e.g., Russian, to a target natural language, e.g., English: "[we] are unable to find any direct or indirect recitation of a procedure for solving a mathematical problem"); *In re Phillips*, 608 F.2d 879, 883, 203 USPQ 971, 975 (CCPA 1979) (process for preparing architectural specifications: "Our analysis of the claims on appeal reveals no recitation, directly or indirectly, of an algorithm in the *Benson* and *Flook* sense"); *Freeman*, 573 F.2d at 1246, 197 USPQ at 471 ("The method claims here at issue do not recite process steps which are themselves mathematical calculations, formulae, or equations"); *Deutsch*, 553 F.2d 689, 692, 193 USPQ 645, 648 (CCPA 1977) (method of operating a system of manufacturing plants: "Nothing in the methods claimed by

Deutsch preempts a mathematical formula, an algorithm, or any specific computer program"); *Chatfield*, 545 F.2d at 158, 191 USPQ at 736 (method of reassigning priorities within a computer: "[the] independent claims contain neither a mathematical formula nor a mathematical algorithm").

If the computer process is found to contain a mathematical algorithm, it must then pass the second part of the *Freeman-Walter-Abele* test for statutory subject matter. See, e.g., *Sherwood*; *Maucorps*; *Gelnovatch*.

Arguably, other exceptions such as "methods of doing business" and "mental steps" may be raised if a claim is not a true computer process, but merely recites that an otherwise nonstatutory process is performed on a computer. *de Castelet*, 562 F.2d at 1244, 195 USPQ at 447 ("Claims to nonstatutory processes do not automatically and invariable become patentable upon incorporation of reference to apparatus"). These would appear to be exceptions with very narrow application to claims which are not limited to implementation by a machine. For example, while a "method of doing business" *per se* is not statutory subject matter, "a method of operation on a computer to effectuate a business activity" has been held to be statutory subject matter. *Paine, Webber v. Merrill Lynch*, 564 F. Supp. at 1369, 218 USPQ at 220. See also *Deutsch*, 553 F.2d at 692 n.5, 193 USPQ at 648 n.5 (claims were not a method of doing business because "[t]hey do not merely facilitate business dealings"); *Johnston, rev'd on other grounds*, *Dann v. Johnston* (apparatus claims directed to system for automatic record-keeping of bank checks and deposits did not cover a method of doing business). Similarly, machine or computer implementation of "mental steps" is statutory subject matter. *Prater*; *In re Bernhart*, 417 F.2d 1395, 163 USPQ 611 (CCPA 1969); *In re Musgrave*, 431 F.2d 882, 167 USPQ 280 (CCPA 1970). See also *Toma* (computer implemented method for translation of natural languages is statutory).

Chronological Order Case List

In re Prater, 415 F.2d 1393, 162 USPQ 541 (CCPA 1969)
In re Bernhart, 417 F.2d 1395, 163 USPQ 611 (CCPA 1969)
In re Musgrave, 431 F.2d 882, 167 USPQ 280 (CCPA 1970)
Gottschalk v. Benson, 409 U.S. 63, 175 USPQ 673 (1972)
In re Christensen, 478 F.2d 1392, 178 USPQ 35 (CCPA 1973)
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In re Noll, 545 F.2d 141, 191 USPQ 721 (CCPA 1976), *cert. denied*, 434 U.S. 875, 195 USPQ 465 (1977)
In re Chatfield, 545 F.2d 152, 191 USPQ 730 (CCPA 1976), *cert. denied*, 434 U.S. 875, 195 USPQ 465 (1977)
In re Deutsch, 553 F.2d 689, 193 USPQ 645 (CCPA 1977)
In re Waldbaum, 559 F.2d 611, 194 USPQ 465 (CCPA 1977)
In re Richman, 563 F.2d 1026, 195 USPQ 340 (CCPA 1977)
In re de Castelet, 562 F.2d 1236, 195 USPQ 439 (CCPA 1977)
In re Freeman, 573 F.2d 1237, 197 USPQ 464 (CCPA 1978)
In re Toma, 575 F.2d 872, 197 USPQ 852 (CCPA 1978)
Parker v. Flook, 437 U.S. 584, 198 USPQ 193 (1978)
In re Sarkar, 588 F.2d 1330, 200 USPQ 132 (CCPA 1978)
Hirschfeld v. Banner, 462 F. Supp. 135, 200 USPQ 276 (D.D.C. 1978), *aff'd without opinion*, 615 F.2d 1368 (D.C. Cir. 1980), *cert. denied*, 450 U.S. 994, 210 USPQ 776 (1981)
In re Gelnovatch, 595 F.2d 32, 201 USPQ 136 (CCPA 1979)
In re Maucorps, 609 F.2d 481, 203 USPQ 812 (CCPA 1979)
In re Phillips, 608 F.2d 879, 203 USPQ 971 (CCPA 1979)
In re Sherwood, 613 F.2d 809, 204 USPQ 537 (CCPA 1980), *cert. denied*, 450 U.S. 994, 210 USPQ 776 (1981)
In re Walter, 618 F.2d 758, 205 USPQ 397 (CCPA 1980)
Arshal v. United States, 621 F.2d 421, 208 USPQ 397 (Ct. Cl. 1980), *cert. denied*, 449 U.S. 1077 (1981), *reh'g denied*, 450 U.S. 1050 (1981)
Diamond v. Diehr, 450 U.S. 175, 209 USPQ 1 (1981)
Diamond v. Bradley, 450 U.S. 381, 209 USPQ 97 (1981), *aff'd by an equally divided Court*, *In re Bradley*, 600 F.2d 807, 202 USPQ 480 (CCPA 1979)
In re Pardo, 684 F.2d 912, 214 USPQ 673 (CCPA 1982)
In re Taner, 681 F.2d 787, 214 USPQ 678 (CCPA 1982)

In re Abele, 684 F.2d 902, 214 USPQ 682 (CCPA 1982)
In re Meyer, 688 F.2d 789, 215 USPQ 193 (CCPA 1982)
Paine, Webber, Jackson & Curtis, Inc. v. Merrill Lynch, Pierce, Fenner & Smith, 564 F. Supp. 1358, 218 USPQ 212 (D. Del. 1983)
Safe Flight Instrument Corp. v. Sundstrand Data Control, Inc., 706 F. Supp. 1146, 10 USPQ2d 1733 (D. Del. 1989)

[1106 OG 5]

(128) Petitioning to Make Applications Relating to Biotechnology Special

This notice is intended to highlight the procedures which are available to applicants and, in particular, to applicants seeking patents on inventions relating to biotechnology, so as to have their applications accorded "special" status. A new interim procedure is also hereby established. Applications which have been made special will be advanced out of turn for examination and, subject alone to diligent prosecution by the applicant, will continue to be treated as special throughout the entire course of prosecution in the Patent and Trademark Office.

The Office accords special status to patent applications by granting petitions to make special on a number of grounds. These grounds include, for example, prospective manufacture of the invention, actual infringement of the invention, that the invention will materially enhance the quality of the environment and for inventions relating to safety of research in the field of recombinant DNA. See 37 CFR 1.102 and Manual of Patent Examining Procedure (MPEP) section 708.02 for details. Applicants seeking patents on inventions relating to biotechnology may petition based on any of the above grounds if they meet the appropriate criteria.

A new application (one which has not received any examination by the examiner) may be granted special status under the accelerated examination program. As set forth in MPEP 708.02, applicants are not subject to any of the above-mentioned criteria under this program but merely must 1) submit a written petition and the fee set forth in 37 CFR 1.17(i) which presently is \$72.00; 2) present all claims directed to a single invention; 3) submit a statement that a pre-examination search was made, specifying by whom the search was made and listing the field of search; 4) submit one copy of each of the references deemed most closely related to the subject matter encompassed by the claims; and 5) submit a detailed discussion of the references pointing out how the claimed subject matter is distinguishable over the references. In those instances where the petition for this special status does not meet all the prerequisites set forth above, applicant will be notified of the defects and will be given an opportunity to perfect the petition.

In addition to the above-noted procedures to have biotechnology applications accorded special status, a new interim procedure is hereby established whereby applicants who are small entities may request that their biotechnology applications be granted special status. To take advantage of this interim special status for biotechnology inventions, an applicant must file a petition with the petition fee under 37 CFR 1.17(i) requesting the special status and must (1) state that small entity status has been established or include a verified statement establishing small entity status; (2) state that the subject of the patent application is a major asset of the small entity; and (3) state that the development of the technology will be significantly impaired if examination of the patent application is delayed including an explanation of the basis for making the statement. This newly established interim procedure will remain in effect until further notice in the *Official Gazette*. It is intended that a notice discontinuing this procedure will be published as the average pendency approaches the 18 month goal in this area. If the number of requests for making applications special under this procedure is too great, the procedure may have to be limited or discontinued.

The Office is continuing to work to reduce the pendency time for all applications. Special efforts are being made to reduce the pendency of biotechnology applications where filings are increasing rapidly and an already large backlog exists. Meanwhile, applicants who so desire can petition to have their applications made special as noted above. Questions concerning petitions to make special should be directed as follows:

- 1) to the Office of the Assistant Commissioner for Patents for petitions based on the grounds of prospective manufacture or infringement;
- 2) to the Board of Patent Appeals and Interferences for petitions on applications within the jurisdiction of the Board; or
- 3) to the appropriate Examining Group for petitions to make special on all other grounds.

June 22, 1988

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents and
Trademarks

[1092 OG 55]

**(129) Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 21001-201]****File Wrapper Continuing Application Procedure**

Agency: Patent and Trademark Office, Commerce.

Action: Final rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases to provide a new procedure for filing continuation, continuation-in-part, and divisional patent applications. This procedure is being provided to simplify filing and processing of continuation, continuation-in-part and divisional patent applications which have heretofore required a new set of application papers. By using the application which is to be abandoned, the procedure will eliminate many of the problems currently involved in preparing and processing such continuing patent application papers.

Effective Date: Feb. 27, 1983.

For Further Information Contact: Mr. Louis O. Maassel by telephone at (703) 557-3070, or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: The Patent and Trademark Office is amending the rules of practice for patent cases to permit an applicant to file a continuation or division of a pending patent application by simply filing a request therefor and paying the necessary application filing fee. To file a continuation-in-part application, an amendment adding the additional subject matter and an oath or declaration relating thereto is also required.

The "file wrapper continuing" (FWC) procedure is incorporated in the rules by adding a new § 1.62. Under this simplified procedure, any continuing application such as a continuation, continuation-in-part, or divisional application may be filed by using the papers in the copending prior application, which application will become automatically expressly abandoned. Under the FWC procedure, a new serial number is assigned and the specification, drawings and other papers in the parent application file wrapper are used as the papers in the continuing application. Changes in inventorship may be made. The "file wrapper continuing" (FWC) procedure is available for utility, design, plant, and reissue applications to the full extent that continuing applications can now be filed in such applications. Use of the FWC procedure will automatically result in express abandonment of the prior application as of the date that the continuation, continuation-in-part, or divisional application is filed.

The FWC procedure could be used for any continuation, continuation-in-part or divisional application provided the applicant wishes the copending prior application to become abandoned. If a divisional application is desired without abandonment of the parent application, the procedure under § 1.60 should be used. Applicant also has the option of filing new application papers with a reexecuted oath or declaration.

Background

The notice of proposed rulemaking was published in the Federal Register on Nov. 7, 1980 at 45 FR 73965 and in the Official Gazette on Dec. 9, 1980 at 1003 O.G. 9. An oral hearing was held on Feb. 4, 1981.

Discussion of Major Issue Involved

A continuation or divisional application is an application in which the disclosure is identical to an earlier application. However, the claims may be changed. Continuation applications are often filed in situations where the applicant feels that the issue of patentability has not been satisfactorily resolved before the examiner and the application is not in condition for an appeal from the final rejection to the Board of Appeals. Divisional applications are filed voluntarily or as a result of a requirement for restriction by the examiner in a prior application. Continuation-in-part applications are filed where additional subject matter is added and claimed in the application. Under 35 U.S.C. 120 of the patent law, a continuation, continuation-in-part or divisional application may be filed during the pendency of the prior application and the benefit of the filing date of the prior application for the subject matter disclosed therein may be obtained.

The practice under § 1.60 has resulted in a number of problems, especially difficulties in obtaining good-quality copies of prior applications. In addition, the practice involves unnecessary handling and processing delays.

Under new § 1.62, the specification, claims and drawings, and any amendments in the prior application are made available for use in the continuation, continuation-in-part, or divisional application. A new filing fee is required in accordance with 35 U.S.C. 41 and 37 CFR 1.16. The only other statutory requirement under 35 U.S.C. 111 is a signed oath or declaration. Since a continuation or divisional application cannot contain new matter, the oath or declaration filed in the prior application would supply all the information required under the statute and rules to have a complete application and to obtain a filing date. Accordingly, the previously-filed oath or declaration will be considered to be the oath or declaration of the § 1.62 continuation or division. However, if a continuation-in-part application is being filed, or a correction of inventorship is being made, then a new oath or declaration must be signed and filed by the applicant.

The original disclosure of an application filed under § 1.62 will be the original parent application as executed by the inventor(s). However, the filing fee will be based on the claims in the § 1.62 application after entry of any unentered amendments under § 1.116 in the prior application and any preliminary amendment which may accompany the FWC request and filing fee. The Certificate of Mailing Procedure under 37 CFR 1.8 will not apply to filing a request for a "File Wrapper Continuing" application since the filing of such a request is considered to be a filing of application papers for the purpose of obtaining an application filing date (37 CFR 1.8(a)(i)).

The applicant may file a signed FWC request and the regular filing fee under § 1.16 and other necessary papers with the Patent and Trademark Office, either by mail addressed to "Box FWC" or in person with the mail room. An individual check or deposit account authorization should accompany each FWC application, since combined checks delay processing.

The Correspondence and Mail Division will sort out all "Box FWC" envelopes upon receipt and deliver them to a reader for prompt special handling. The reader would apply the "Mail Room" date stamp and mark the categories of the fees. The papers for each FWC application would be assigned a regular national serial number and be placed in a "Jumbo" size file wrapper. The Special Handling Branch will review the FWC request for accuracy and completeness and assign the filing date if everything appears to be in order. Problems will be handled, insofar as possible, by calling the applicant or attorney by telephone. There will be no need for any processing of the FWC application by the Classification or Examination Branches of Application Division since there are no papers to be examined and the FWC application will be routed to the group assigned the prior application. When the FWC application file wrapper is received in the examining group, the parent application will be promptly obtained and processed by a clerical staff member.

All of the correspondence from the Office in a FWC application will refer to the FWC application serial number and filing date and will be processed in the same manner as any other continuation, continuation-in-part or divisional application. The first action final rejection procedures set forth in § 706.07(b) of the Manual of Patent Examining Procedure will also apply to FWC applications filed under § 1.62.

The PALM III system will supply information to authorized persons as to the location of the parent application file wrapper and will tie the parent application number to the FWC application number.

The provisions of § 1.62 provide that if any application in the file wrapper is available to the public that all applications in the file wrapper will be available to the public.

Some of the anticipated benefits of the new § 1.62 procedure are the following:

For the Applicant

1. Formal requirements will be minimal.
2. A more prompt first action in the continuing application should be received in view of reduced processing time. The Application Division can process promptly all § 1.62 applications with minimal effort. In the examining groups, the applications will be given high priority for processing purposes.
3. Amendments made to the specification, drawings and claims of the prior application will carry over into the § 1.62 continuing application and will not need to be resubmitted in the continuing application.

For the Public

1. The pendency of a series of applications should be reduced since the time delay before examination and issuance of a continuing application filed under the § 1.62 procedure would be reduced.
2. The entire record of prosecution could be in one file wrapper under the § 1.62 procedure, even if several continuing applications are filed. This will result in easier access by the public to a series of applications if a patent is later issued.

For the Patent and Trademark Office

1. The workload of reviewing and processing new application papers in the Application Division will be reduced.
2. The examining group clerks will not be required to again enter amendments made in the prior application.
3. Less storage space will be required under § 1.62 since there will be fewer papers to store.
4. The prior application file history and references cited therein will be readily available to the examiner under § 1.62 and will not need to be ordered from abandoned files.
5. The Office will not be required to prepare a copy of the prior application file under the § 1.62 procedure.

Discussion of Comments Received

After careful consideration of the comments which have been received, the proposed rulemaking relating to file wrapper continuing application procedure is being adopted with certain changes. A total of 23 comment letters were received. Six of these letters were received from patent law organizations. Two persons presented oral comments at the hearing. The comments of 6 letters supported the proposed rulemaking without further suggestions for change. Only one letter opposed the proposal.

Seven of the letters urged adoption of a procedure whereby an applicant could pay a fee to have a final rejection withdrawn so that prosecution could be extended in an application rather than filing a continuing application. This suggestion was not adopted for several reasons. Such a procedure could not be used for filing of continuation-in-part applications, the average pendency of applications in the Office would be extended, and significant problems in internal record systems would be created.

A number of comments were received which presented specific suggestions to proposed § 1.62. Four letters commented that the requirement of proposed § 1.62(a)4 to supply information as to title, applicant, correspondence address, etc. in order to file under § 1.62 could easily lead to filing errors.

In final § 1.62(a)(3) only the serial number, filing date and applicant's name of the prior application are required. The filing of information relating to the title, applicant's name, etc. is however urged in paragraph (e) of final § 1.62 and is needed to prepare Office records and the filing receipt.

One comment letter was received which indicated that a specific reference should be made to unentered amendments filed under 37 CFR 1.116. Such a reference has been added to paragraph (a)(2) of § 1.62.

Two letters objected to the requirement in proposed § 1.62(a)(2) that a new set of claims be presented. This requirement has been deleted from final § 1.62.

A number of general comments were also presented relating to § 1.62. One comment argued that the proposed practice would encourage abuse by examiners of the second action final rejection practice. In response to this argument, it is felt that the proposed procedure would not create any new problems.

One comment indicated that problems involving access to the file wrapper may arise. It is felt, however, that access problems should not arise in view of paragraph (c) of final § 1.62 which relates to waiver of secrecy. The current PALM III computer record system is capable of indicating the location of both the prior and continuing applications.

One comment was received relating to proposed § 1.138 which indicated that the reference to § 1.60 was confusing. The reference to § 1.60 has been deleted in final § 1.138.

New § 1.62 sets forth the requirements of the file wrapper continuing procedure.

Section § 1.138 is amended so that a registered attorney or agent could, without being of record, file a § 1.62 application and expressly abandon a pending prior application. Such an action would not affect applicant's rights to any great extent since the prior application would only be expressly abandoned if a filing date was granted to a continuing application.

Other Considerations

Environmental, Energy, and Other Considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

This rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.).

The rule change will not have a significant adverse economic impact on a substantial number of small entities because it adds no burdens and does simplify filing procedures (Regulatory Flexibility Act, Pub. L. 96-354).

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., since no significant additional record keeping or reporting requirements are placed upon the public. In fact, some paperwork, especially that related to preparing application papers and amendments, will be reduced.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Inventions and patents, Lawyers.

(Text of adopted rules appears in 37 CFR, revised July 1, 1983.)

Sept. 30, 1982.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[FR Doc. 82-29283 Filed 10-23-82; 8:45 am]
BILLING CODE 3510-16-M

[1024 O.G. 59]

(130) **Patent and Trademark Office
Implementation of 37 CFR 1.56**

The Patent and Trademark Office has been reviewing, and discussing in conjunction with various private sector groups, its

implementation of 37 CFR 1.56 which deals with the duty of disclosure and inequitable conduct. Determination of inequitable conduct issues requires an evaluation of the intent of the party involved. While some court decisions have held that intent may be inferred in some circumstances, consideration of the good faith of the party, or lack thereof, is often required. In several recent court decisions, a high level of proof of intent to mislead the Office was required in order to prove inequitable conduct under 37 CFR 1.56. See *In re Harito*, 847 F.2d 801, 6 USPQ 2d 1930 (Fed. Cir. 1988) and *FMC Corp. v. Manitowoc Co. Inc.*, 835 F.2d 1411, 5 USPQ 2d 1112 (Fed. Cir. 1988).

The Office is not the best forum in which to determine whether there was an "intent to mislead", such intent is best determined when the trier of facts can observe demeanor of witnesses subjected to cross-examination. The Office is not presently equipped to handle live testimony. Modifying Office procedures to do so would not be an effective utilization of resources. A court, with subpoena power, is presently the best forum to consider duty of disclosure issues under the present evidentiary standard for finding an "intent to mislead". The court proceeding involves two participating adverse parties. This is not the case in the Office, since even "protesting" parties are not permitted to participate under the Rules. Also, it is the courts and not the Office that are in the best position to fashion an equitable remedy to fit the precise facts in those cases where inequitable conduct is established. Furthermore, inequitable conduct is not set by statute as a criteria for patentability but rather is a judicial application of the doctrine of unclean hands which is appropriate to be handled by the courts rather than by an administrative body. Because of the lack of tools in the Office to deal with this issue and because of its sensitive nature and potential impact on a patent, Office determinations generally will not deter subsequent litigation of the same issue in the courts on appeal or in separate litigation. Office determinations significantly add to the expense and time involved in obtaining a patent with little or no benefit to the patent owner or any other parties with an interest.

Accordingly, the Office will no longer investigate and reject original or reissue applications under 37 CFR 1.56 and to the extent 37 CFR 1.56 now requires the Office to do so, it is hereby waived. Likewise, the Office will not comment upon duty of disclosure issues which are brought to the attention of the Office in original or reissue applications except to note in the application, in appropriate circumstances, that such issues are no longer considered by the Office during its examination of patent applications. Examination of lack of deceptive intent in reissue applications will continue but without any investigation of inequitable conduct issues. Applicant's statement of lack of deceptive intent normally will be accepted as dispositive except in special circumstances such as an admission or judicial determination of fraud or inequitable conduct.

The duty of disclosure requirements set forth in 37 CFR 1.56(a) will remain in effect pending modification by rulemaking procedure. The Office plans to propose a change in the standard of the duty of disclosure with respect to information to be submitted which an individual knows or should have known would render unpatentable any pending claim in an application. This would replace the present requirement to submit information which there is a substantial likelihood a reasonable examiner would consider important in deciding whether to allow an application to issue as a patent. The Office also plans to propose that 37 CFR 1.97-1.99 concerning information disclosure statements be modified to clarify the manner and time for submission of information to the Office for consideration in an application. Further, the Office has already indicated its support for legislation proposed by Congressman Kastenmeier in H.R. 4086 with certain clarifying changes.

This change in practice will not reduce incentives to disclose information to the Office promptly. A judicial finding of inequitable conduct or fraud will still render a patent unenforceable or invalid. Therefore, applicants will still be encouraged to comply with the Rule, as applied by the courts. Practitioners found to have participated in inequitable conduct or fraud shall be subject to disciplinary proceedings. 37 CFR Part 10.

Any response due to an outstanding requirement for information regarding the duty of disclosure or rejection under 37 CFR 1.56 may merely make reference to the change in practice set forth in this Notice. Such a response will be considered complete

if timely filed. A paper will then be mailed and placed of record merely noting that the Office no longer examines patent applications for compliance with 37 CFR 1.56.

Applications in which there is no outstanding requirement for information regarding the duty of disclosure or outstanding rejection under 37 CFR 1.56, but in which a duty of disclosure issue has been noted on the record, will have a paper placed in the record and mailed to the applicant terminating consideration of the duty of disclosure issue and noting that the Office no longer examines patent applications for compliance with 37 CFR 1.56. Thereafter, no further action will be undertaken by the Office regarding the duty of disclosure issue.

The Board of Patent Appeals and Interferences will henceforth not review any rejection under 37 CFR 1.56 but will treat the rejection as withdrawn and merely note that the Office no longer examines patent applications for compliance with 37 CFR 1.56.

Questions regarding this change of practice may be directed to the Special Program Examination Unit at (703) 557-8384.

Sept. 8, 1988

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks

[1095 OG 16]

(131) Consideration of Fraud and Inequitable Conduct in Patent Interference Cases

This notice supersedes the Commissioner's Notice of Oct. 17, 1988, *Further Clarification on Patent and Trademark Office Implementation of 37 CFR 1.56*, 1096 Off. Gaz. Patent Office 19 (Nov. 8, 1988), but not the Commissioner's Notice of Sept. 8, 1988, *Patent and Trademark Office Implementation of 37 CFR 1.56*, 1095 Off. Gaz. Patent Office 16 (Oct. 11, 1988).

Effective immediately, fraud and inequitable conduct issues will be considered when properly raised *inter partes* in patent interference cases. The policy of the Patent and Trademark Office with respect to investigation and resolution of fraud and inequitable conduct issues during *ex parte* examination of patent applications remains that of the Commissioner's Notice of Sept. 8, 1988.

The Chairman, the Vice-Chairman, an Examiner-in-Chief or a panel of the Board of Patent Appeals and Interferences, as may be appropriate, are authorized to determine the manner in which fraud and inequitable conduct can be raised in any interference pending before the Board at this time.

Oct. 24, 1991

HARRY F. MANBECK, JR.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1132 OG 33]

(132) Interference Practice: Consideration of Fraud and Inequitable Conduct

The Commissioner's Notice of Oct. 24, 1991, *Consideration of Fraud and Inequitable Conduct in Patent Interference Cases*, provides that:

Effective immediately, fraud and inequitable conduct issues will be considered when properly raised *inter partes* in patent interference cases.

The Chairman, the Vice Chairman, an Examiner-in-Chief or a panel of the Board of Patent Appeals and Interferences, as may be appropriate, are authorized to determine the manner in which fraud and inequitable conduct can be raised in any interference pending before the Board at this time.

The present notice sets forth the policy which will be applied by the Board of Patent Appeals and Interferences (Board) in

determining whether the issues of fraud and/or inequitable conduct raised in a pending interference proceeding will be given consideration.

Issues of fraud and/or inequitable conduct in an interference will be considered by the Board if:

1. They are raised by way of preliminary motion for judgement under 37 CFR 1.633(a). The motion must be filed during the period set for filing preliminary motions (37 CFR 1.636(a)), or good cause (37 CFR 1.655(b) (3)) must be shown as to why the issues of fraud and/or inequitable conduct were not timely raised during the preliminary motion period. An assertion that the issues were not raised earlier because the Board was precluded from considering them by the Commissioner's Notice of Oct. 17, 1988, (1906 Off. Gaz. Pat. Office 19 (Nov. 8, 1988)) shall not be deemed to be good cause.
2. They are raised by motion in a currently pending interference in which the time for filing preliminary motions expired prior to the publication date in the *Official Gazette* of the Commissioner's Notice dated Oct. 24, 1991, and provided (a) the motion is promptly filed after the *Official Gazette* publication date of the notice, and (b) the times for taking testimony or, if no testimony, the times for filing briefs for final hearing (37 CFR 1.656) have not been set.

Issues of fraud and/or inequitable conduct will not be considered in any interference in which the times for taking testimony or the times for filing briefs for final hearing have already been set, unless "good cause" is shown under 37 CFR 1.655(b) (3). See item 1 above. An example of good cause would be where fraud or inequitable conduct is first discovered during taking of testimony.

Interference parties are reminded that fraud and inequitable conduct must be established by clear, unequivocal and convincing evidence, and the party asserting misconduct carries a heavy burden of persuasion. *Driscoll v. Cebalo*, 731 F.2d 878, 221 USPQ 745 (Fed. Cir. 1984); *Norton v. Curtiss*, 433 F.2d 779, 167 USPQ 532 (CCPA 1970). Accordingly, unless evidence filed with a preliminary motion for judgement (37 CFR 1.639(a)) *prima facie* meets this standard of proof, the motion may be denied. If a party asserts that testimony is necessary to support or oppose the motion (37 CFR 1.639(c)), the requirements set forth in *Hanagan v. Kimura*, 16 USPQ2d 1791 (Comr. 1990), must be complied with; for example (16 USPQ2d at 1794):

A proper request under § 1.639(c) must describe the nature of the testimony being sought. The description must be of sufficient detail so that the Examiner-in-Chief can determine whether or not there is a need for the requested testimony.

If a person is to be called as a fact witness, a declaration by that person stating the facts should be filed new.

If the other party is to be called, or if evidence in the possession of the other party is necessary, an explanation of the evidence sought, what it will show, and why it is needed must be supplied.

Preliminary motions in the nature of "fishing expeditions," or based on broad assertions or argument of counsel, will not be permitted. Cf. *Price v. Folsom*, 208 USPQ 56 (Comr. 1980).

Counsel who are contemplating raising issues of fraud and inequitable conduct should also direct their attention to the Commissioner's Notice of Dec. 23, 1986, *Interference Practice: Fraud and Inequitable Conduct Allegations* (1074 Off. Gaz. Pat. Office 421 (Jan. 27, 1987)).

Nov. 14, 1991

SAUL I. SEROTA,
Chairman, Board of Patent
Appeals and Interferences

[1133 OG 22]

(133) Interference Practice: Fraud and Inequitable Conduct Allegations

In patent interference cases, the Board of Patent Appeals and Interferences will review every "fraud" and "inequitable conduct" issue which is properly raised at final hearing on the basis of the record as presented. Whatever basis may exist during the interlocutory stages of an interference for raising and pursuing such issues, Counsel is forewarned that when an interference approaches the final hearing stage, he or she should maturely reflect on the state of the record. Only if the record supports the fraud or inequitable conduct allegations by clear and convincing evidence should such issues be pursued at a final hearing. Failure to heed this warning by pursuit of such issues at final hearing without a reasonable evidentiary basis to support each element thereof may result in the case being referred to the Office of Enrollment and Discipline for disciplinary investigation.

Dec. 23, 1986

DONALD J. QUIGG
*Assistant Secretary and
Commissioner of Patents
and Trademarks*

[1086 OG 283]

(134) **Patent and Trademark Office Implementation
of 37 CFR 1.28(d) and 1.56(c), (f) and (g)**

This notice supplements the Official Gazette Notices relating to the implementation of 37 CFR 1.56 published at 1095 *Official Gazette* 16 (Oct. 11, 1988) and 1096 *Official Gazette* 19 (Nov. 8, 1988) which announced that the Office will no longer investigate and reject original or reissue applications under 37 CFR 1.56.

With regard to 37 CFR 1.28(d), it will still be considered as fraud attempted or practiced on the Office either to attempt to fraudulently (1) establish status as a small entity or (2) pay fees as a small entity or to improperly and through gross negligence (1) establish status as a small entity or (2) pay fees as a small entity. The rule, however, makes reference to 37 CFR 1.56(d) but the Office no longer investigates or rejects original or reissue applications under 37 CFR 1.56(d). Therefore, the Office will accept payment of fee deficiencies under 37 CFR 1.28 but will just note in such cases that the Office no longer investigates and rejects applications under 37 CFR 1.56.

With regard to 37 CFR 1.56(c), (f) and (g), after further review of Office practice, it has been determined that the same reasons set forth in the Official Gazette Notices cited above also apply to the investigating and striking of applications for defects in the manner in which the application was executed by the signing of an oath or declaration pursuant to 37 CFR 1.63. It is no longer considered appropriate for the Office to expend the resources required to investigate such issues and to consider striking the applications involved. The resolution of such issues involves the difficult process of determining the intent of the parties and the facts surrounding the execution of the applications. Since Feb. 27, 1983, an application may be filed without an executed oath or declaration and still be granted a filing date as to the subject matter disclosed and claimed. Therefore, while the defects in execution described in 37 CFR 1.56(c) are not condoned, it is appropriate to allow the filing of a new oath or declaration pursuant to 37 CFR 1.63 and the payment of the surcharge under 37 CFR 1.16(e) for filing and oath or declaration later than the filing date of the application without action under 37 CFR 1.56(c), (f) or (g) by the Office.

Accordingly, the Patent and Trademark Office will not consider striking an application for the type of conduct described in 37 CFR 1.56(c) and will not entertain a petition directed to such matter submitted pursuant to 37 CFR 1.56(f) and (g). Any such petition submitted will merely be placed in the application file and will not be commented upon by the Patent and Trademark Office. The provision of 37 CFR 1.56(c), (f) and (g) are hereby waived. The regulation will be modified through the rulemaking procedure.

Dec. 8, 1988

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1098 OG 502]

(135)

Department of Commerce
Patent and Trademark Office
37 CFR Parts 1 and 5
[Docket No. 40227-18]

Revision of Foreign Filing License Procedure

Agency: Patent and Trademark Office, Commerce.

Action: Final rule.

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases, Parts 1 and 5 of 37 CFR, to establish a streamlined procedure for granting licenses for foreign filing. The changes simplify the obtaining of licenses for filing foreign patent applications and for filing amendments, modifications, and supplements in foreign patent applications. Under the revised rules (1) the export, but not actual filing, of technical data to a foreign country for purposes related to the filing and prosecution of a patent application may be done either under appropriate export agencies' rules or by a license issued by the Commissioner of Patents and Trademarks, (2) certain licenses issued by the Commissioner for filing foreign patent applications include a license to file amendments, modifications, and supplements, containing additional matter in foreign applications, (3) specific contents of a petition for retroactive license are established and (4) fees are set for expedited handling of requests for foreign filing licenses and for certain petitions. These changes will result in reduced work for both patent applicants and the Patent and Trademark Office and at the same time strengthen national security protections.

Effective Date: June 1, 1984.

For Further Information Contact: Kenneth L. Cage by telephone at (703) 557-2877 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to simplify and expedite the granting of licenses under 35 U.S.C. 184. It contains a number of changes in practice designed to benefit both the Patent and Trademark Office in its handling of its mission and the public the Office serves. Notice of proposed rulemaking was published May 23, 1983, at 48 FR 23144 and corrected June 7, 1983, at 48 FR 26319.

Discussion of Specific Rules

Section 5.11(a) has been substantially restructured and modified from the proposal. Under § 5.11(a), a license from the Commissioner of Patents and Trademarks is always needed for the act of filing a patent application in a foreign patent office unless the six-month period has passed or the invention was not made in the United States.

Amended § 5.11 (b) and (c) would clarify in the regulations that the export of technical data to a foreign country may be done under appropriate export agencies' rules controlling the export of technical data—Department of State (22 CFR Parts 121-130); Department of Commerce, International Trade Administration Office (15 CFR Part 379); or the Department of Energy (10 CFR Part 810)—or by license from the Commissioner. Compliance with the appropriate export agencies' rules or the license from the Commissioner is required before *exporting* technical data in the form of a patent application or data in any form if related to preparing, filing, and prosecuting a patent application in a foreign country, if the United States application has not been on file for six months at the time of export, or no application has been filed in the United States. It is optional from whom approval for export is obtained. In fact, for certain technical data being exported to certain countries, a specific request for a license or approval from any of the export agencies would not be necessary. However, a single license from the Commissioner would cover both export and filing and avoid any question whether a specific license or approval is required from any of the export agencies. Approval from the appropriate export agencies for export would require a separate additional license from the Commissioner for the filing of the foreign patent application. The rule changes will make the rules more closely conform with the regulations of other agencies which deal with the export of technical data to a foreign country.

The definition of export in these regulations will be controlled by the definition of export in the appropriate regulations of the export agencies having jurisdiction over the export of technical

data related to the patent application. (15 CFR 379.1, 22 CFR 125.03 and 10 CFR 810.7).

The requirement of complying with the rules of the export agencies or the Commissioner before exporting an application to a foreign country is not intended to change long-standing Patent and Trademark Office interpretation of 35 U.S.C. 184 or in any way interpret the language in 35 U.S.C. 184 "file or cause or authorize to be filed" as requiring a license before technical data related to the filing or prosecution of an application is exported to a foreign country, such as to a foreign attorney or agent or corporation for review or revision for later filing. It does, however, reflect the delegations the Commissioner has received from other agencies and which are referenced in §§ 5.18, 5.19 and new § 5.20 and clarifies that a patent applicant must be licensed for export of technical data abroad for purposes related to the preparation, filing or possible filing and prosecution of a foreign patent application either by appropriate export agencies or by the Commission. The language "related to the preparation, filing or possible filing and prosecution of a foreign patent application" in § 5.11(b) is used rather than "support a patent application" as used in § 5.18 or "foreign filing" as used in § 5.19 to make clearer that the latter two phrases include the export of technical data in the form of explanations or possible claim language or the like sent to a foreign agent or other person in relation to a foreign patent application. However, a license from the Commissioner would not substitute for approvals required by appropriate export agencies if technical data is exported for purposes not related to the filing or possible filing and prosecution of a foreign patent application. For example, a license from the Commissioner would not cover export of technical data in a U.S. patent application to a foreign research laboratory to support a research project.

Further, the rule is intended to reflect that every exportation of technical data related to filing or possible filing or prosecution within six months of a United States filing without a license from the Commissioner is prohibited unless the applicant complies with the rules of the appropriate export agencies. For example, where an application has been exported to a foreign agent with an authorization to file a foreign patent application, the export of the application may be under a general license from the International Trade Administration of the Department of Commerce. A license from the Commissioner is always necessary for the actual filing of the foreign patent application. In another example, where a validated license is needed under 15 CFR Part 379 to export technical data in the form of a patent application, applicants will need to obtain an International Trade Administration license or obtain a Commissioner's license prior to the act of export. Under either example, a license from the Commissioner is required before the application is filed in a foreign patent office. In the latter example, a single license from the Commissioner will permit both export and filing of the application.

This rule is promulgated under the authority of 35 U.S.C. 6 and delegations to the Commissioner by regulation (15 CFR 370.10 (5f, 1j), 22 CFR 125.04, and 10 CFR 810.7) or otherwise under the Export Administration Act of 1979, as amended, the Arms Export Control Act, as amended, the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978. Authority for this rule also exists under 35 U.S.C. 188.

The amended rule assures adequate protection of sensitive material under Title 35, United States Code and provides regulatory consistency with the Arms Export Control Act, as amended, the Export Administration Act, as amended, the Atomic Energy Act of 1954, as amended, the Nuclear Non-Proliferation Act of 1978, and their implementing regulations. The sanctions which apply for failure to obtain a license from either the Commissioner or the appropriate export agencies prior to export are the sanctions specified in the export acts. The sanctions which apply for failure to obtain a license from the Commissioner prior to the filing of a foreign application are the sanctions specified in Title 35, United States Code.

Section 5.11(d), proposed as § 5.11(b), states that applications under secrecy order under § 5.2 cannot be exported to an international agency or filed in a foreign country except in accordance with § 5.5.

Section 5.11(e), proposed as § 5.11(c), states that a license pursuant to paragraph (a) is not required where the invention was not made in the United States, or the United States application was on file for six months without a secrecy order being issued.

Section 5.11(f), proposed as § 5.11(d), states that a license for foreign filing may be revoked at any time upon written notice. Similarly, an authorization for foreign filing resulting from the passage of six months from the filing of a United States patent application may be revoked by the imposition of a secrecy order. The revocation is effective as of the date of the notice and is not intended to be applicable to any prior acts by applicants relying in good faith on the grant of a license.

The language of §§ 5.12(b), 5.13, and 5.14 have been clarified from the proposal to reflect that the § 1.17(h) requirement for a fee is for the expedited handling of a license. No fee is required for a routine, non-expedited request for a foreign filing license.

Section 5.15 has been changed from the form proposed. Amended § 5.15 defines licenses for foreign export and filing of two different scopes. The § 5.15(a) scope license, the grant of which is indicated on the filing receipt in accordance with § 5.12(a) published at 48 FR 2696. (Jan. 20, 1983) and 1027 OG 9 (Feb. 1, 1983), permits the subsequent export and filing of technical data for purposes related to the preparation, filing or possible filing and prosecution of the foreign application and of any amendments or modifications to the application in a foreign country, even if "additional subject matter" were introduced; provided the additional subject matter does not change the general nature of the subject matter disclosed and does not pertain to certain categories of potentially sensitive material which are set forth in § 5.15(a)(4).

The phrase "change the general nature of the subject matter disclosed" is intended to cover situations where the additional subject matter so alters the character of the disclosure that national security review is appropriate. This phrase is intended to permit a broad range of amendments, modifications and supplements, including additional subject matter. The following examples are intended to further clarify the meaning of the language "general nature of the subject matter disclosed" in § 5.15(a):

Example 1—The physical data on a named compound. If a licensed disclosure gives the name and structure of a compound, the general nature of the subject matter disclosed includes physical data such as boiling point, melting point or specific gravity of the compound. If a name of a compound is disclosed, the structure of the compound is also within the general nature. If the licensed disclosure deals with the hardness of a claimed alloy, the disclosure of tensile strength is within the general nature.

Example 2—A known specie of a known genus. If the genus "lower alkyl" is disclosed, the inclusion of the species "methyl" is within the general nature, as would be homologs and isomers of that genus.

Example 3—Comparison data of the disclosed compound to data on prior art compounds. If the licensed disclosure contains a disclosure of the compounds of a pesticide invention, and pesticidal activities, the comparison of pesticidal data of a known compound representing the closest prior art is within the general nature.

Example 4—A specific optimum temperature within a specified temperature range. If a licensed disclosure has a range of 0°C to 120°C, the disclosure of an optimum temperature of 100°C is within the general nature.

Example 5—Activity data on compounds of the invention. If activity data on 30 of 50 named compounds is disclosed, the disclosure of activity data on other named compounds of the invention is within the general nature.

Example 6—Additional subject matter and utilities. If a licensed disclosure describes a chemical herbicide for weed control, the disclosure of chemical warfare uses or human toxic properties (other than to demonstrate safety or absence of such toxicity) is not within the general nature. If a licensed disclosure describes an analog computer for microwave telephone transmission, the addition of a cryptographic encoding or decoding device and utility is not within the general nature. If a licensed disclosure describes a battery power source for a satellite, the addition or substitution of a nuclear isotopic power source is within the general nature, but would be within the control of § 5.15(a)(4)(ii).

A § 5.15(b) scope license is limited to the original subject matter disclosed at the time the license was granted and does not

cover "additional subject matter" as the phrase is currently interpreted (*In re Gaertner*, 202 USPOQ 714 (CCPA 1979)).

Under § 5.15(c), a license with the scope of § 5.15(a) could also be granted pursuant to a § 5.13 or § 5.14 petition. If granted, the § 5.15(a) scope of license will be indicated on the license grant. For instance, under § 5.15(c) an applicant who filed a United States patent application before Feb. 27, 1983, when the filing receipt license practice became effective could request a § 5.15(a) scope license which, if granted, will cover the subsequent filing of amendments, modifications or supplements, including additional matter in a corresponding foreign patent application. The licenses under §§ 5.12(b), 5.13, and 5.14 are normally limited in scope to the original subject matter disclosed at the time the license was granted unless a license of the § 5.15(a) scope is indicated on the license grant. If a petition for a license under § 5.12(b) is granted prior to the grant of the § 5.12(a) filing receipt license, the former would merge into the latter and would be considered a § 5.12(a) license for the purpose of § 5.15.

A new § 5.20, not included in the proposal, sets forth the specific authority of the Commissioner to license foreign filing, possible filing or prosecution of a patent application in a foreign country under 35 U.S.C. 184 regarding unclassified activities in foreign atomic energy programs. This change only reflects the existing relationship between 37 CFR 5.11 and 10 CFR § 810.7 and alerts patent applicants in this technology to the Commissioner's authority. The term "sensitive nuclear technology" used in paragraph (b) of § 5.20 is defined in 10 CFR § 810.3(q).

A new § 5.25, proposed initially as § 5.20 and modified, sets forth in the regulations the requirements to be met for the granting of a retroactive license. The requirements include (1) a list of the foreign countries in which the patent application material was filed; (2) the date(s) of filing of the foreign application(s); (3) an oath or declaration which (i) states that the subject matter filed is not subject to a secrecy order under 35 U.S.C. 181, (ii) makes a showing of diligence in attempting to obtain the license upon discovery of the error, and (iii) makes a showing of facts which support a conclusion of inadvertence; and (4) includes the required fee. The section also provides in paragraph (b) for review from a denial of a petition for a retroactive license. The section further provides in paragraph (c) that the granting of a retroactive license pursuant to § 5.25 does not excuse any violation of regulations of the export agencies which may have occurred because of the failure to obtain an appropriate license prior to export.

Sections 5.21, 5.22 and 5.23 have been redesignated to become §§ 5.31, 5.32 and 5.33, respectively.

Significant Differences Between Proposed and Final Rules

Section 1.17

Section 1.17(h) is amended to include a specific reference to § 5.25 petitions for retroactive licenses for which the petition fee is charged, rather than having the present retroactive license fee under § 1.182 petitions. The fee for § 5.12(b) licenses is new and applies only where expedited handling of these license requests is sought. This fee for expedited handling is also referred to in §§ 5.13 and 5.14. Section 5.15(c) provides for a fee for changing the scope of a license.

Section 5.1

The proposed amendment to § 5.1 is not being adopted and is withdrawn.

Section 5.11

Section 5.11 is amended to control the export of technical data in the form of an application or data in any form if related to preparing, filing, or prosecuting a patent application in a foreign country, if the United States application has not been on file for at least six months prior to the date of transmittal, or if no application has been filed in the United States. Export approvals, if required, may be provided by appropriate export agencies—Department of State; Department of Commerce, International Trade Administration or Department of Energy—or by the Commissioner. This will enable the Patent and Trademark Office and the export agencies to better reflect and exercise the export control functions set forth in the Arms Export Control

Act, as amended, the Export Administration Act of 1979, as amended, the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978, respectively.

Under these Acts, the export of technical data is the activity to be controlled. The final rule differs from the proposed rule in that the Patent and Trademark Office will not be the sole export control authority over technical data in the form of an application, or data in any form, if related to preparing, filing, or prosecuting a patent application. Applications will have the option to obtain necessary export approvals either (1) from appropriate export agencies or (2) from the Commissioner. The Commissioner will continue to be the sole licensing authority for the act of filing an application in a foreign patent office.

Paragraphs (a), (b), and (c) of § 5.11 control export activity by requiring either an export agency approval or a Commissioner's license for export of technical data in connection with foreign filing of an application and to that extent implement the Arms Export Control Act, the Export Administration Act, the Atomic Energy Act and the Nuclear Non-Proliferation Act. If a license is obtained from the Commissioner under § 5.12, § 5.13 or § 5.14, no separate approval for the export of technical data to a foreign country in connection with a patent application is required from the export agencies.

It is emphasized that the scope of the Commissioner's license is limited to exporting and filing technical data in the form of an application, or in any form, if related to preparing, filing and prosecuting a patent application or for consideration of the filing of a patent application in a foreign country. A Commissioner's license does not authorize selling or using technical data in a foreign country or exporting data for other purposes. These latter acts continue to require separate approvals from the appropriate export agencies.

Also, the export of technical data in any form to a foreign country for purposes other than related to filing or supporting the filing of a patent application is not controlled by Title 35, U.S.C. or the regulations in Part 5. The exportation of data to a foreign country in such cases would be subject only to other laws and regulations such as the export and arms control regulations. Approval for the export of such technical data for purposes related to filing, possible filing, or supporting the filing of a patent application will be available from the appropriate export agencies or the Commissioner. On the other hand, the Commissioner will be the sole licensing authority for the act of filing the application in a foreign patent office.

Section 5.11(d), proposed as § 5.11(b), states that an application cannot be exported to a foreign country when the corresponding United States application is under secrecy order except under § 5.5

Section 5.11(e), proposed as § 5.11(c), states that no license is required if the invention was not made in the United States, or the application was on file in the United States at least six months and is not under a secrecy order issued under § 5.2

Section 5.11(f), proposed as § 5.11(d), states that any license for foreign filing may be revoked at any time by written notification. It has been amended to further clarify that revocation also applies to authorizations resulting from the passage of six months from the filing date of a United States patent application when a secrecy order is imposed.

Section 5.12

Section 5.12(b) is clarified from the proposal to specify that the fee is for expedited handling of a petition under § 1.17(h).

Section 5.13

Section 5.13 is clarified from the proposal to specify that the fee is for expedited handling of a petition under § 1.17(h).

Section 5.14

Section 5.14(a) is clarified from the proposal to specify that the fee is for expedited handling of a petition under § 1.17(h).

The other changes in § 5.14 make grammatical corrections and do not alter the intent of the section.

Section 5.15

Section 5.15(a) broadens the scope of licenses granted under § 5.12(a). Section 5.15(a), as proposed, is changed to clarify the

scope of a § 5.15(a) license and delete certain of the exclusions originally proposed. This license permits exporting technical data to and filing corresponding subject matter in an application in any foreign country. The license also permits amendments, modifications, and supplements, including divisions, changes or supporting matter consisting of the illustration, exemplification, comparison, or explanation of subject matter disclosed in the application, to be exported and filed in any foreign country. This license includes additional matter which does not change the general nature of subject matter disclosed and does not pertain to certain prohibited subjects or areas listed on various export restriction lists established by the Department of State and the Department of Energy.

These changes also permit an applicant to take action in the prosecution of the foreign or international application and submit supporting data such as affidavits, test data or the like as long as it directly relates to the filing, possible filing or prosecution of the application and does not pertain to the prohibited subjects or areas enumerated in § 5.15(a)(4). The changes in § 5.15(a) obviate the problems in *In re Gaertner*, supra, by providing a license scope which covers the type of activity involved in that case.

Amended paragraph (b) of § 5.15 is the same as proposed paragraph (b) except for changes for consistency.

Amended paragraph (c) of § 5.15 differs from § 5.15(c) as proposed by including a reference to § 5.14 and specifically permitting an applicant to petition for a change of the scope of a license.

New paragraph (d) of § 5.15 is similar to proposed paragraph (d) with only changes for consistency.

New paragraph (e) of § 5.15 is similar to proposed paragraph (e) with only changes for consistency.

Paragraph (f) of § 5.15 is similar to proposed paragraph (f) with only changes for consistency.

Paragraph (g) is adopted essentially as proposed.

Section 5.17

Section 5.17 is similar to proposed § 5.17 with only consistency changes.

Section 5.20

Section 5.20, not included in the proposal, is new and clarifies the existing authority of the Commissioner under the unclassified activities in foreign atomic energy programs. Under 10 CFR 810.7, the license of the Commissioner under 37 CFR 5.11 pursuant to 35 U.S.C. 184 constitutes information available to the public and generally authorized activity.

Section 5.25

Section 5.25, proposed initially as § 5.20, is new and sets forth the requirements for petitioning for a retroactive license.

Section 5.31 and 5.32

Sections 5.21 and 5.22 are redesignated as §§ 5.31 and 5.32, respectively.

Section 5.33

Section 5.23 is redesignated as § 5.33 and adopted as proposed.

Responses to Comments on the Rules

Specific comments were received on a number of the sections. All of the comments, including the written comments and the oral testimony were considered.

Twenty-one letters presenting written comments were received and nine persons testified at the public hearing on July 20, 1983. Comments appear below along with the responses.

Comment:

One comment objected to the amendment of § 5.1 to include "transmittal for" filing.

Reply:

This comment has been adopted by deleting the phrase from the final rule.

Comment:

Three comments requested an explanation of the conditions when a license may be revoked under § 5.11(d) be clearly set forth and asked whether, if revocation occurs, past acts are valid and whether there will be compensation for damages.

Reply:

The section has been revised to further clarify the conditions under which a license may be revoked. The power to revoke licenses has been expressly included in all issued licenses for a number of years. Section 5.11(d) as proposed, merely recognizes in the rule the fact that licenses can be revoked. With the advent of the filing of a U.S. application becoming a request for a foreign filing license under § 5.12(a), a regulatory procedure clarifying the revocation practice was appropriate. Revocation will be effective only as of the date of revocation and prior acts predicated on the license would be in compliance with 37 CFR Part 5. The rule as proposed has been clarified to indicate that revocation may apply either to a license specifically granted by the Commissioner or to an authorization to file a foreign application resulting from the passage of six months from the filing of a United States patent application. No compensation is available for revocation of a license.

Comment:

Eighteen comments requested the amendment of § 5.11 to eliminate the license requirement for "transmittal for filing" and substitute the requirement for "filing" only.

Reply:

The proposal has been adopted by eliminating the requirement for a license from the Commissioner prior to transmitting or exporting an application abroad. The regulations have been clarified to emphasize the requirements for the export of technical data in the form of an application. An applicant has a choice of exporting such applications under authority of either (1) the appropriate export agencies controlling the export of technical data—Department of State; Department of Commerce, International Trade Administration; or Department of Energy or (2) a license from the Commissioner. While a license from the Commissioner is required only for filing an application abroad, the provisions of §§ 5.18, 5.19 and 5.20 reflect the Commissioner's authority to license the export of technical data in the form of an application for purposes related to filing in addition to the foreign filing of the application in a foreign country.

Comment:

Six persons objected to the transmittal license requirement and argued that the Patent and Trademark Office lacks authority under 35 U.S.C. 184 to require pre-filing (transmitting) licenses. It was also argued that foreign filing licensing is not the conduct of proceedings under 35 U.S.C. 6.

Reply:

The final rules do not require a license from the Commissioner for export (or transmittal). The export provisions of § 5.11 are issued under 35 U.S.C. 6 and pursuant to delegations under the regulations of the export agencies.

Comment:

One comment argued that the constitutional right of freedom of speech would be impaired by requiring a license for published material.

Reply:

A constitutional argument of prior restraint by export licensing of the International Traffic in Arms Regulations was reviewed by the Ninth Circuit in the case of *United States v. Adler*, 579 F.2d 516 (9th Cir. 1978) cert. denied 449 U.S. 1084 (1981). No prior restraint within first amendment protection was found by the Court.

Comment:

One comment stated that the \$120 petition license fee under § 5.12(b) is too high, and a \$60 fee would be more reasonable.

Reply:

The license fee under § 5.12(b), § 5.13 and § 5.14 is not applicable to routine licensing requests. It is only applicable to expedited processing of license requests which require special efforts by the Patent and Trademark Office. The \$120 petition fee better reflects the costs to the Patent and Trademark Office for providing expedited handling.

Comment:

One comment proposed the deletion of the last sentence of paragraph § 5.14(a) since under § 5.12(a) only those cases having interest from a security standpoint are refused a license.

Reply:

This suggestion has not been adopted because the provision may apply to petitions filed prior to receipt of a filing receipt license where expedited handling is requested.

Comment:

One comment stated that § 5.15(d) appears to be redundant since it applies only to cases on file for six months and on which no secrecy order has been imposed.

Reply:

Under § 5.15(d), a license is not needed for cases in this category if no additional subject matter is added. This section complements § 5.15(b) where a license of narrow scope is granted.

Comment:

One comment raised the question whether § 5.15(a) as to amendments, supplements, and modifications includes continuation-in-part applications.

Reply:

Continuation-in-part applications are included within the term "amendments, supplements, and modifications." *Beckman Instruments, Inc. v. Coleman Instruments*, 143 USPQ 278 (7th Cir. 1964).

Comment:

Two comments requested that the express language in § 5.15(a)(3) be amended to state that "Technical Data" relating to articles, materials and supplies be limited to the validated license requirements of §§ 379.4(c) and 379.4(d) of the Export Administration Regulations and no other sections, or alternatively, that paragraph (a)(3) be deleted in its entirety.

Reply:

The final rules do not include § 5.15(a)(3) as proposed.

Comment:

Two comments proposed that the two-tier licensing structure of § 5.15(a) and § 5.15(b) be amended to reflect a broad one-tier system based on § 5.15(a).

Reply:

The two-tier system reflects different treatment for applications within the inspection scope of 35 U.S.C. 181 and those outside of its inspection scope. Security review occurs on all applications with inspection cases having a narrow license grant, and noninspection cases having a broad license grant. This inspection case treatment is necessary for the Patent and Trademark Office to meet its responsibilities under 35 U.S.C. 184 and particularly 37 CFR 5.18, 5.19, and 5.20 where the State, Commerce and Energy Departments accept the Commissioner's licenses in lieu of their own export approval.

Comment:

One comment indicated that proposed § 5.15(a)(3) was of such wide scope that licenses will always be needed. The example cited was that this section would require licenses for all amendments filed in North Korea and Cuba.

Reply:

The comment is correct and the provisions of § 5.15(a)(3) have been deleted. The country of destination restrictions did not provide a workable mechanism for technology review under the provisions of 35 U.S.C. 181.

Comment:

Three comments recommended making a § 5.15(a) scope license available pursuant to a § 5.14 petition where an application was filed prior to Feb. 27, 1983, or where an initial automatic § 5.12(a) petition was not granted after Feb. 27, 1983 or where the general nature of the invention changed but is still outside of the provisions of § 5.15(a)(4).

Reply:

This provision has been adopted to allow the Commissioner to issue broadened licenses upon a § 5.14 petition in the above circumstances. New § 5.15(c) allows the Commissioner to convert the scope of a license from § 5.15(b) to a § 5.15(a) license.

Comment:

Two comments proposed the extension of a § 5.15(a) license upon petition after one or more years after the United States filing date or after grant of a § 5.15(b) license.

Reply:

This suggestion has been adopted in § 5.15(c) which will provide the mechanism by petition at any time to convert the scope of a license. This is promulgated since errors may occur in the denial of a § 5.15(a) license. Also, the initial determination of the sensitive nature of technology may be altered by changes in the security classification guidelines. Procedurally, such peti-

tions will be referred to the appropriate defense agencies for their review of the technology prior to the grant of any license.

Comment:

One comment requested clarification on how and under what circumstances a § 5.12(b) license granted under § 5.15(c) has the same scope as a license granted under § 5.12(a).

Reply:

Licenses granted under § 5.12(a) will have the § 5.15(a) scope because the applications are not within the inspection scope of a 35 U.S.C. 181 referred to the defense agencies for security review. Under § 5.15(c), applications which are not referred to defense agencies pursuant to petitions under §§ 5.12, 5.13 and 5.14 will have a license of the scope of § 5.15(a).

Comment:

Three comments suggested an amendment to proposed § 5.20(4) to delete the "inadvertence" standard and substitute "through error without deceptive intent."

Reply:

Inadvertence is a statutory standard which cannot be altered by rulemaking. Further, judge-made law has determined the metes and bounds of this term which further proscribes the rulemaking authority of the Commissioner. In *Barr Rubber Products Co. v. Sun Rubber Co.*, 149 USPQ 204, 209 (S.D.N.Y., 1966) inadvertence was defined as "lack of care or attentiveness; inattention" or "an effect of inattention: a result of carelessness; an oversight, mistake, or fault from negligence."

Inadvertence signifies want of attention, and an action which is deliberately taken with full knowledge of the law and facts is not inadvertent. In *re Application of Nov. 22, 1952*, 153 USPQ 410, 411 (Asst. Commr. 1967).

Implementation of Patent Procedure Revisions

The various sections will be implemented by the Commissioner on the effective date of the rules by the acceptance of petitions under the various sections. The broadened license scope of § 5.15(a) will apply as of the effective date of these rules to all cases having filing receipt licenses under § 5.12(a) which became effective on Feb. 27, 1983. The provisions of this broad license do not apply to acts of export or filing which occurred prior to the effective date of these rules. No other action will be required by an applicant to receive the benefits of this change.

Other Considerations

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The Acting General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) for several reasons. Under this rulemaking, small entities would be able to obtain licenses without filing separate requests therefor. In general, the rule change will also expedite proceedings before the Patent and Trademark Office, simplifying existing procedures where possible.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increases in cost or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Paperwork Reduction Act. The collection of information requirement of this rule is included in a PTO request for approval pending before the OMB. Upon assignment of a control number by OMB, we will publish an appropriate amendment of the affected rules.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of Information, Inventions and patents, Lawyers, Small businesses.

37 CFR Part 5

Classified information, Foreign relations, Inventions and patents.

Notice is hereby given that, pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, 41 and 181-188 and by delegations to the Commissioner by regulation (15 CFR 370.10(j), 22 CFR 125.04, and 10 CFR 810.7) or otherwise under the Export Administration Act of 1979, as amended, the Arms Export Control Act, as amended, the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978, the Patent and Trademark Office is amending Parts 1 and 5 of Title 37 of the Code of Federal Regulations as set forth below:

PART 1—[AMENDED]

1. Section 1.17 is amended by revising paragraph (h) to read as follows:

§ 1.17 Patent application processing fees.

(h) For filing a petition to the Commissioner under a section of Part 1 or 5 listed below which refers to this paragraph \$120.00

§ 1.47—for filing by other than all the inventors or a person not the inventor

—§ 1.48—for correction of inventorship

—§ 1.48—for decision on questions not specifically provided for

—§ 1.183—to suspend the rules

—§ 1.268—for late filing of interference settlement agreement

—§§ 5.12, 5.13 & 5.14—for expedited handling of foreign filing license

—§ 5.15—for changing the scope of a license

—§ 5.25—for retroactive license

2. The table of contents and heading for Part 5 are revised to read as follows:

PART 5—SECRECY OF CERTAIN INVENTIONS AND LICENSES TO EXPORT AND FILE APPLICATIONS IN FOREIGN COUNTRIES**Secrecy Orders****Sec.**

5.1 Defense inspection of certain applications.

5.2 Secrecy order.

5.3 Prosecution of application under secrecy orders; withholding patent.

5.4 Petition for rescission of secrecy order.

5.5 Permit to disclose or modification of secrecy order.

5.6 General and group permits.

5.7 Compensation.

5.8 Appeal to Secretary.

Licenses for Foreign Exporting and Filing

5.11 License for filing in a foreign country an application on an invention made in the United States or for transmitting international application.

5.12 Petition for license.

5.13 Petition for license; no corresponding application.

5.14 Petition for license; corresponding U.S. application.

5.15 Scope of license.

5.16 Effect of secrecy order.

5.17 Who may use license.

5.18 Arms, ammunition, and implements of war.

5.19 Export of technical data.

5.20 Export of technical data relating to sensitive nuclear technology.

5.25 Petition for retroactive license.

General

5.31 Effect of modification, rescission or license.

5.32 Papers in English language.

5.33 Correspondence.

Authority: 35 U.S.C. 6, 41, 181-188 and the Export Administration Act of 1979, as amended, the Arms Export Control Act, as amended, the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978, and the delegations in the regulations under these acts to the Commissioner (15 CFR 370.10(j), 22 CFR 125.04, and 10 CFR 810.7).

3. The center heading preceding § 5.11 and the text of § 5.11 are revised to read as follows:

Licenses for Foreign Exporting and Filing

§ 5.11 License for filing in a foreign country an application on an invention made in the United States or for transmitting an international application.

(a) A license from the Commissioner of Patents and Trademarks under 35 U.S.C. 184 is required before filing any application for patent or for the registration of a utility model, industrial design, or model, in a foreign patent office or any foreign patent agency or any international agency other than the United States Receiving Office, if:

(1) An application on the invention has been on file in the United States less than six months prior to the date on which the application is to be filed, or

(2) No application on the invention has been filed in the United States.

(b) The license from the Commissioner of Patents and Trademarks referred to in paragraph (a) would also authorize the export of technical data abroad for purposes related to the preparation, filing or possible filing and prosecution of a foreign patent application without separately complying with the regulations contained in 22 CFR Parts 121-130 (International Traffic in Arms Regulations of the Department of State), 15 CFR Part 379 (Regulations of the Office of Export Administration, Department of Commerce) and 10 CFR Part 810 (Foreign Atomic Energy Programs of the Department of Energy).

(c) Where technical data in the form of a patent application, or in any form is being exported for purposes related to the preparation, filing or possible filing and prosecution of a foreign patent application, without the license from the Commissioner of Patents and Trademarks referred to in paragraphs (a) or (b) of this section, or on an invention not made in the United States, the export regulations contained in 22 CFR Parts 121-130 (International Traffic in Arms Regulations of the Department of State), 15 CFR Part 379 (Regulations of Office of Export Administration, International Trade Administration, Department of Commerce) and 10 CFR Part 810 (Foreign Atomic Energy Programs of the Department of Energy) must be complied with unless a license is not required because a United States application was on file at the time of export for at least six months without a secrecy order under § 5.2 being placed thereon. The term "exported" means export as it is defined in 22 CFR Parts 121-130, 15 CFR Part 379 and 10 CFR Part 810.

(d) If a secrecy order has been issued under § 5.2, an application cannot be exported to, or filed in, a foreign country (including an international agency in a foreign country), except in accordance with § 5.5.

(e) No license pursuant to paragraph (a) of this section is required if:

(1) The invention was not made in the United States, or

(2) The United States application is not subject to a secrecy order under § 5.2, and was filed at least six months prior to the date on which the application is filed in a foreign country.

(f) A license pursuant to paragraph (a) of this section can be revoked at any time upon written notification by the Patent and Trademark Office. An authorization to file a foreign patent application resulting from the passage of six months from the date of filing of a United States patent application may be revoked by the imposition of a secrecy order.

4. Section 5.12 is amended by revising paragraph (b) to read as follows:

§ 5.12 Petition for license.

(b) Petitions for license should be presented in letter form and must include the required fee (§ 1.17(h)), if expedited handling of the petition is also sought, the petitioner's address, and full instructions for delivery of the requested license when it is to be delivered to other than the petitioner.

5. Section 5.13 is revised to read as follows:

§5.13 Petition for license; no corresponding application.

If no corresponding national or international application has been filed in the United States, the petition for license under § 5.12(b) must be accompanied by the required fee (§ 1.17(h)), if expedited handling of the petition is also sought, and a legible copy of the material upon which a license is desired. This copy will be retained as a measure of the license granted. For assistance in the identification of the subject matter of each license so issued, it is suggested that the petition be submitted in duplicate and provide a title and other description of the material. The duplicate copy of the petition will be returned with the license or other action on the petition.

6. Section 5.14 is amended by revising paragraphs (a) and (c) to read as follows:

§ 5.14 Petition for license; corresponding U.S. application.

(a) When there is a corresponding United States application on file, a petition for license under § 5.12(b) must include the required fee (§ 1.17(h)), if expedited handling of the petition is also sought, and must identify this application by serial number, filing date, inventor, and title, but a copy of the material upon which the license is desired is not required. The subject matter licensed will be measured by the disclosure of the United States application. Where the title is not descriptive, and the subject matter is clearly of no interest from a security standpoint, time may be saved by a short statement in the petition as to the nature of the invention.

(c) When the application to be filed or exported abroad contains matter not disclosed in the United States application or applications, including the case where the combining of two or more United States applications introduces subject matter not disclosed in any of them, a copy of the application as it is to be filed in the foreign country or international application which is to be transmitted to a foreign international or national agency for filing in the Receiving Office, must be furnished with the petition. If however, all new matter in the foreign or international application to be filed is readily identifiable, the new matter may be submitted in detail and the remainder by reference to the pertinent United States application or applications.

7. Section 5.15 is revised to read as follows:

§ 5.15 Scope of license.

(a) Grant of a license under § 5.12(a) authorizes the export and filing of an application in a foreign country or the transmitting of an international application to any foreign patent agency or international patent agency when the subject matter of the foreign or international application corresponds to that of the domestic application. This license includes authority:

(1) To export and file all duplicate and formal papers to the foreign country or international agencies;

(2) To make amendments, modifications and supplements, including divisions, changes or supporting matter consisting of the illustration, exemplification, comparison, or explanation of subject matter disclosed in the application;

(3) To take any action in the prosecution of the foreign or international application; and

(4) To add subject matter or take any action under paragraphs (a) (1)-(3) of this section which does not change the general nature of the subject matter disclosed at the time of filing, unless the subject matter added involves technical data pertaining to:

(i) Defense services or articles designated in the United States Munitions List applicable at the time of foreign filing, the unlicensed exportation of which is prohibited pursuant to the Arms Export Control Act, as amended, and 22 CFR Parts 121-130; or

(ii) Restricted Data, sensitive nuclear technology or technology useful in the production or utilization of special nuclear material or atomic energy, the dissemination of which is subject to restrictions of the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978, as implemented by the regulations for Unclassified Activities in Foreign Atomic Energy Programs, 10 CFR Part 810, in effect at the time of foreign filing.

(b) Grant of a license under § 5.12(b) authorizes the export and filing of an application in a foreign country or the transmitting of an international application to any foreign patent agency or international patent agency. Further, this license includes authority to forward all duplicate and formal papers to the foreign patent agency or international patent agency and to make amendments, modifications or supplements to and take any action in the prosecution of the foreign or international application, provided subject matter additional to that covered by the license is not involved.

(c) A license granted under § 5.12(b) pursuant to § 5.13 or § 5.14 shall have the scope indicated in paragraph (a) of this section, if it is so specified in the license. A petition, accompanied by the required fee (§ 1.17(h)), may also be filed to change a license having the scope indicated in paragraph (b) of this section to a license having the scope indicated in paragraph (a) of this section. The change in the scope of a license will be as of the date of the grant of the change in scope.

(d) In those cases in which no license is required to file the foreign application or transmit the international application, no license is required to file papers in connection with the prosecution of the foreign or international application not involving the disclosure of additional subject matter.

(e) Any paper filed abroad or transmitted to an international patent agency following the filing of a foreign or international application which changes the general nature of the subject matter disclosed at the time of filing or which involves the disclosure of subject matter listed in paragraphs (a)(4) (i) or (ii) of this section must be separately licensed in the same manner as a foreign or international application. Further, if no license has been granted under § 5.12(a) on filing the corresponding United States application, any paper filed abroad or with an international patent agency which involves the disclosure of additional subject matter must be licensed in the same manner as a foreign or international application.

(f) Licenses separately granted in connection with two or more United States applications may be exercised by combining or dividing the disclosures, as desired, provided:

(1) Subject matter which changes the general nature of the subject matter disclosed at the time of filing or which involves subject matter listed in paragraphs (a)(4) (i) or (ii) of this section is not introduced and,

(2) In the case where at least one of the licenses was obtained under § 5.12(b), additional subject matter is not introduced.

(g) A license does not apply to acts done before the license was granted. See § 5.25 for petitions for retroactive licenses.

8. Section 5.17 is revised to read as follows:

§ 5.17 Who may use license.

Licenses may be used by anyone interested in the export, foreign filing, or international transmittal for or on behalf of the inventor or the inventor's assigns.

9. A new § 5.20 is added to read as follows:

§ 5.20 Export of technical data relating to sensitive nuclear technology.

(a) Under regulations (10 CFR 810.7) established by the United States Department of Energy, an application filed in accordance with the regulations (37 CFR 5.11-5.33) of the

United States Patent and Trademark Office and eligible for foreign filing under 35 U.S.C. 184, is considered to be information available to the public in published form and a generally authorized activity for the purposes of the Department of Energy regulations.

(b) Inquiries concerning the export of sensitive nuclear technology other than related to the filing or prosecution of a foreign patent application should be made to the Attention: Secretary, United States Department of Energy, Office of International Security Affairs, Washington, D.C. 20858.

§ 5.21 [Redesignated as § 5.31]

10. Section 5.21 is redesignated as § 5.31.

§ 5.22 [Redesignated as 5.32]

11. Section 5.22 is redesignated as § 5.32.

12. A new § 5.25 is added to read as follows

§ 5.25 Petition for retroactive license.

(a) A petition of retroactive license under 35 U.S.C. 184 shall be presented in accordance with § 5.13 or § 5.14, and shall include:

- (1) A listing of the foreign countries in which the patent application material was filed,
- (2) The dates on which the material was filed,
- (3) A verified statement containing:

(i) An averment that the subject matter in question was not under a secrecy order at the time it was filed abroad, and that it is not currently under a secrecy order.

(ii) A showing that the license has been diligently sought after discovery of the proscribed foreign filing, and

(iii) An explanation of why the material was inadvertently filed abroad without the required license under § 5.11 first having been obtained, and

(4) The required fee (§ 1.17(h)).

The above explanation must include a showing of facts rather than a mere allegation of inadvertence. The showing of facts should include statements by those persons having personal knowledge of the acts regarding filing in a foreign country and should be accompanied by copies of any necessary supporting documents such as letters of transmittal or instructions for filing. The acts which are alleged to constitute inadvertence should cover the period from the time of filing until actual filing of the petition under this section.

(b) If a petition for a retroactive license is denied, a time period of not less than thirty days shall be set, during which the petition may be renewed. Failure to renew the petition within the set time period will result in a final denial of the petition. A final denial of a petition stands unless a petition is filed under § 1.181 within two months of the date of the denial. If the petition for a retroactive license is denied with respect to the invention of a pending application and no petition under § 1.181 has been filed, a final rejection of the application under 35 U.S.C. § 185 will be made.

(c) The granting of a retroactive license does not excuse any violation of the export regulations contained in 22 CFR Parts 121—130 (International Traffic in Arms Regulations of the Department of State), 15 CFR Part 379 (Regulations of Office of Export Administration, International Trade Administration, Department of Commerce) and 10 CFR Part 810 (Foreign Atomic Energy Programs of the Department of Energy) which may have occurred because of the failure to obtain an appropriate license prior to export.

13. Section 5.23 is redesignated as § 5.33 and revised to read as follows:

§ 5.33 Correspondence.

All correspondence in connection with this part, including petitions, should be addressed to "Commissioner of Patents and

Trademarks (Attention Licensing and Review), Washington, D.C. 20231."

Feb. 24, 1984.

GERALD J. MOSSINGHOFF,
*Commissioner of
Patents and Trademarks.*

[FR Doc. 84-8884 Filed 4-3-84; 8:45 am]
BILLING CODE 3510-16-M]

[1042 O.G. 3]

(136) Department of Commerce
Patent and Trademark Office
37 CFR Parts 1 and 5
[Docket No. 40227-18]

Revision of Foreign Filing License Procedure

Agency: Patent and Trademark Office, Commerce

Action: Final rule: Change of effective date

Summary: The Patent and Trademark Office amended the rules of practice in patent cases, Parts 1 and 5 of 37 CFR, to establish a streamlined procedure for granting licenses for foreign filing by publishing a notice in the 5 Federal Register on Apr. 4, 1984, at 49 Fed. Reg. 13456-13463. The notice set an effective date of June 1, 1984. However, title 35, United States Code, section 41(g) provides that "No fee established by the Commissioner under this section will take effect prior to sixty days following notice in the Federal Register." Since these rules establish fees and the effective date of the rules was slightly less than 60 days after the publication of the final rule change in the Federal Register, it is necessary to set a later effective date.

Date: The effective date of the rule change published at 49 Fed. Reg. 13456-13463 is changed to June 4, 1984.

For further information contact: Kenneth L. Cage by telephone at (703) 557-1428 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Apr. 30, 1984.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1042 O.G. 58]

(137) Department of Commerce
Patent and Trademark Office
37 CFR Part 5
Patent Law Foreign Filing Amendments

Agency: Patent and Trademark Office, Commerce

Action: Notice of Final Rulemaking

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases to implement the Patent Law Foreign Filing Amendments Act of 1988, Subtitle B of Public Law 100-418. The rules reflect changes made to 35 U.S.C. 184 which specify that a license is not required to, file amendments, modifications, and supplements containing additional subject matter to a previously licensed foreign patent application if such amendments, modifications, and supplements do not change the general nature of the invention disclosed in the application in a manner which would require a corresponding United States patent application to be made available for national security inspection under 35 U.S.C. 181. These regulatory changes are applicable to most existing foreign filing license holders if their patent application did not undergo security inspection under 35 U.S.C. 181. Also, under the rules, a retroactive foreign filing license may be granted in situations where a proscribed foreign filing occurred through error and without deceptive intent as opposed to the earlier standard of inadvertence.

Effective Date: Feb. 19, 1991.

Supplementary Information: A notice of proposed rulemaking was published in the Federal Register at 55 Fed. Reg. 24270-24275 (June 15, 1990) and at 1116 Official Gazette 21-25 (July

10, 1990). No oral hearing was held. Three written comments on the proposed rulemaking were received. The comments received and replies thereto are listed below.

The rules are intended to implement the Patent Law Foreign Filing Amendments Act of 1988, Subtitle B of Public Law 100-418 (hereinafter the Act), which amended §§ 184, 185 and 186 of Title 35, United States Code, in order to simplify the procedures for United States inventors filing and prosecuting patent applications in foreign countries. The Office has not made any rule changes to implement the amendments to 35 U.S.C. 185 or 186 since these changes affect matters outside its jurisdiction.

Section 184 of Title 35 is intended to protect United States national security interests by preventing the disclosure of potentially sensitive inventions made in the United States to foreign nationals by the act of filing a patent application in foreign countries. An inventor may not apply for a foreign patent on an invention made in the United States until at least six (6) months after the inventor has filed a United States patent application unless the inventor receives a license from the Office permitting an earlier foreign filing. This six month period assures the Office the opportunity to screen applications for information the disclosure of which might be detrimental to the national security. Also, § 184, as originally enacted, authorized the Office to grant a retroactive license for an unlicensed foreign filing of a patent application if the foreign filing was inadvertent and if the disclosure of the subject matter in the application would not be detrimental to United States security interests.

The original regulatory implementation of 35 U.S.C. 184 required applicants to obtain a license not only for the original foreign patent application but also for the filing of almost any information in support of the application, thereby creating administrative problems for United States inventors seeking foreign patent protection. For example, foreign patent offices often demand that additional technical data, such as the melting point of a chemical, be added to a patent application. An additional foreign filing license was usually required before the inventor could submit modifications, amendments, or supplements to a previously licensed foreign patent application, regardless of how trivial the change might be.

Recognizing the problems involved in obtaining these additional licenses, the Office promulgated rules in 1984 (see § 5.15(a) and 49 Fed. Reg. 13456 (April 4, 1984)) to streamline the licensing procedure. The 1984 rule change provided that an inventor could obtain in applications, the disclosure of the content of which is not potentially detrimental to United States security interests, a license which permitted the foreign filing of modifications, amendments, and supplements without further licensing if such changes were within the scope or character of the originally licensed invention (§ 5.15(a)). The 1984 rule change, however, could not be made retroactive, and therefore had no effect on licenses granted under the old system. If an applicant wished to broaden a pre-April 4, 1984, foreign filing license to the scope allowed by § 5.15(a), this involved filing a separate petition under § 5.15(c) in each application.

The present Act clarifies the statutory basis for the current Patent and Trademark Office rules by providing that inventors, in most circumstances, are not required to obtain an additional license to file modifications, amendments, and supplements to their foreign applications for which a foreign filing license has been obtained under § 5.15(a). Unlike the previous Office rules, these rules broaden the scope of most existing licenses, provided that the conditions contained in the Act are met.

The Act and these rules also address difficulties associated with attempts to procure a retroactive foreign filing license. Some applicants faced loss of their patent rights due to improper foreign filings even though they believed, in good faith, that a license was not necessary for certain minor changes to their foreign application. Court decisions have held that supplemental information filed abroad was exempt from the license requirement only when it was recited *verbatim* in the United States patent application, or was so commonly known that it could have been said to have been expressly disclosed in the United States application. *In re Gaertner*, 604 F.2d 1348, 202 USPQ 714 (CCPA 1979). If a patent applicant did not obtain a foreign filing license from the Office, any corresponding United States patent was at risk of being held invalid under 35 U.S.C. 185 if technical information was added to the foreign application, even if the technical information was completely unrelated to United States security interests.

Loss of United States patent rights subsequent to an "inadvertent" unlicensed foreign filing could be avoided if a retroactive license was obtained under 35 U.S.C. 184. *Twin Disc, Inc. v. United States*, 10 Cl. Ct. 713, 231 USPQ 417 (Cl. Ct. 1986) and *Minnesota Mining and Manufacturing Co. v. Norton Co.*, 366 F.2d 238, 151 USPQ 1 (6th Cir. 1966), *cert. denied*, 385 U.S. 1005 (1967). While the *Gaertner* decision defined a broad range of circumstances under which a foreign filing license would be required, other court decisions made correction of licensing errors difficult by setting forth various strict interpretations of the standard of "inadvertence." *Compare Iron Ore Co. of Canada v. Dow Chemical Co.*, 177 USPQ 34 (D. Utah 1972), *aff'd*, 500 F.2d 189, 182 USPQ 520 (10th Cir. 1974) and *Reese v. Dann*, 391 F. Supp. 12, 185 USPQ 492 (D.D.C. 1975). An inventor could fail to meet the standard of "inadvertence" even if the information disclosed was not significant in nature and did not contain any sensitive national security information. For example, one decision suggested that the filing of information abroad was intentional because the inventor first considered the applicability of § 184. *Shelco, Inc. v. Dow Chemical Co.*, 322 F. Supp. 485, 168 USPQ 395 (N.D. Ill. 1970), *aff'd*, 466 F.2d 613, 173 USPQ 451 (7th Cir. 1972), *cert. denied*, 409 U.S. 876 (1972). Under the *Shelco* standard, if supplemental information had been filed abroad as a considered, willful act, even though done through error in the belief that the information disclosed abroad did not exceed the scope of the disclosure in the United States patent application, the filing would not be "inadvertent"; and, therefore, the subject information could not qualify for a retroactive license.

The Act addresses these problems, and the rules implement the intention of the Act. The Act changes the language of the statute to provide that an inventor may receive a retroactive license if the inventor can show that the premature filing of a foreign patent application, or the submission of supplemental information in support of a foreign patent application, was made "through error and without deceptive intent." This criterion is equivalent to that for reissue of a patent under 35 U.S.C. 251 to correct errors made without any deceptive intention. The reissue error requirement has been considered by the courts. See, e.g., *In re Weiler*, 790 F.2d 1576, 229 USPQ 673 (Fed. Cir. 1986) and *In re Wadlinger* 496 F.2d 1200, 181 USPQ 826 (CCPA 1974). The applicant for a retroactive license also must show that the foreign filing did not disclose any information detrimental to the national security and that diligence was exercised in seeking a retroactive license once the applicant became aware of the proscribed foreign filing.

The Act became effective on August 23, 1988, but it does not affect any final decision made by the Office or a court, nor the rights or liabilities of any party under a patent in a case pending before a court on the above date or under any subsequent patent deriving priority rights from such patent under 35 U.S.C. 120 or 121. Therefore, the retroactive effect of the Act and the rules is limited.

Comments on the Proposed Rules

Comment

One comment stated that the discussion in the proposed rulemaking of the modification of the standard for obtaining a retroactive license from inadvertence to "through error and without deceptive intent" should have included a reference to *In re Wadlinger*, 492 F.2d 1200, 181 USPQ 826 (CCPA 1974) rather than to *In re Weiler*, 790 F.2d 1576, 229 USPQ 673 (Fed. Cir. 1986). The comment stated that *Wadlinger* was a more appropriate and illustrative case because it discusses more fully the meaning of the term "error" as encompassing "inadvertence, accident or mistake" and as having a very broad meaning. The comment also noted that *Wadlinger* was referenced in comments made in the hearing on the proposed legislation as indicative of the reissue standard being applied to retroactive license requests.

Reply

A citation to *In re Wadlinger* has been added to the citation of *In re Weiler* in the discussion of the final rules. It was not the intent of the Office by citing the *Weiler* case to suggest that decisions on petitions for the grant of retroactive licenses would be limited by that case. Decisions are based on the particular facts in each case and the entire body of law with respect to the standard of "through error and without deceptive intent."

Comment

A comment stated that the Office should provide additional examples in the explanatory text in the final rule as to changes that may be made to foreign applications that have been licensed under 37 CFR 5.15(a) without obtaining any additional license. The comment pointed out that examples given in the 1984 rulemaking.

Reply

The list of examples presented at the time that 37 CFR 5.15(a) was adopted in 1984 was not intended to be all-inclusive. The Office is not aware of any judicial decisions setting limits to changes that may be made under a § 5.15(a) license. Depending on the nature and the criticality, changes in temperature, portions, size, etc., outside of a previously disclosed value or range that do not change the general nature of the invention from what was previously disclosed are within the scope of a § 5.15(a) license. However, if the newly disclosed value or range does change the general nature of the invention from that of the originally disclosed value or range, then a separate license is required. Likewise, new species or subcombinations of a previously disclosed genus or combination would appear to require an additional license to include such a change in a foreign application.

Comment

One comment stated that the Office should provide clarification of the attorney's ability to make decisions as to whether or not the added subject matter, in his opinion, changes the general nature of the invention.

Reply

Not only does the attorney have the ability to make the decision as to whether or not the additional subject matter changes the general nature of the invention, the attorney has the responsibility to do so. The Office will not give advisory opinions on whether an additional license is necessary, and will treat any provisional requests for a prospective or retroactive license as a request for a license. The procedure of the Office resolving any questions as to the security inspection status of any changes to previously licensed material is intended to apply only to those changes that have been submitted to the Office, i.e., the Office will reply to any inquiry as to whether previously submitted subject matter underwent, or should have undergone, security review.

Comment

One comment questioned what would happen if an attorney on considered judgment, honestly believed that a supplement did not change the general nature of a licensed invention, but that judgment later proved to be erroneous.

Reply

The Act and the rules now provide for a retroactive license to be granted in situations where it can be shown that a filing was made without a license through error and without deceptive intent. Thus, a retroactive license could be sought under § 5.25.

Discussion Of Specific Rule Changes

Section 5.11(a), as amended, specifies when a license is required before filing any foreign application for patent, including any modifications, amendments and supplements or divisions thereof. Section 5.11(a) adopts the statutory definition of "application" in 35 U.S.C. 184. Also, the rule, as amended, clarifies that the provisions of this section apply only to inventions made in the United States as stated in 35 U.S.C. 184. However, where an improvement or modification to a foreign-origin invention is made in the United States, a license would be required for the additional subject matter. The language proposed for § 5.11(e)(3) has been redrafted for clarity but still provides that an inventor need not obtain a supplemental license to file modifications, amendments and supplements containing subject matter not disclosed in, or divisions of, a foreign application for which an initial foreign filing license was not required, as long as the corresponding United States application was not required to be made available for inspection under 35 U.S.C. 181 and § 5.1 and the changes did not alter the general nature of the invention in a manner which would require the United States application to have been made available for inspection under 35 U.S.C. 181 and § 5.1. The need for a supplemental license depends on whether the changes altered the general nature of the invention, rather than the label applied to the

changes, i.e., "Continuation", "Continuation In-Part", "Division", etc.

Authorized parties may determine whether a particular application was forwarded to the defense agencies for inspection under 35 U.S.C. 181 either by reviewing the filing receipt to determine if a license is or was granted, in which case security inspection did not occur, or by reviewing the file wrapper to determine if an access acknowledgment under 35 U.S.C. 181 is present, in which case security inspection did occur. If verification of the security inspection status of an application is needed, the authorized parties may submit a written request therefor to the Office, directed to the attention of Licensing and Review. A written response from the Office will be issued. In the event Office records are not available, a *de novo* determination by the Office will be made of the need for defense agency inspection under the present national security standards. If security inspection was not required under 35 U.S.C. 181, then the provisions of the Act will convert a previously granted or implied license into one having the scope of proposed § 5.15(a).

Section 5.15(a), as amended, adopts the specific provisions of the Act and clarifies the existing rules by expressly stating that the license provisions of the paragraph are applicable to United States applications which were not required to be made available for inspection under 35 U.S.C. 181 and § 5.1. The inspection provisions of 35 U.S.C. 181 delegate to the Commissioner of Patents and Trademarks the authority to decide which applications will be forwarded to United States defense agencies for national security inspection when the Government has no property interest in the invention. The fact that an application was forwarded to the defense agencies does not necessarily mean that the application was properly within the inspection scope of 35 U.S.C. 181. Thus, if an application was not required to be inspected but was inspected by mistake, it is eligible for such a license. The changes to the regulation expressly apply to modifications, amendments, and supplements to a previously licensed foreign application, and divisions thereof, provided the changes do not alter the general nature of the invention in a manner which would require a corresponding United States application to have been made available for inspection under 35 U.S.C. 181.

The language of § 5.15(a)(1) also has been clarified. If the filing of the foreign application was pursuant to a license granted under § 5.15 and issued prior to publication of the notice in the Federal Register at 49 Fed. Reg. 13456 (April 4, 1984) for subject matter which was not appropriate for inspection under 35 U.S.C. 181, the license is now expanded to cover amendments, modifications, and supplements thereto, or divisions thereof, which do not change the general nature of the invention in a manner which would require such application to be made available for security inspection under 35 U.S.C. 181. Also, paragraphs (a)(3) and (a)(4) of § 5.15 have been merged in order to more clearly define the type of subsequent changes to a previously licensed foreign patent application which may be filed without any additional license. In particular, it is made clear that these changes must not be such as to require the application to be made available for security inspection. Any questions about the security inspection status of any application or amendments, modifications, and supplements thereto, or divisions thereof, will be handled in the manner as described above.

Section 5.15(b), as amended, clarifies the existing rule by expressly stating that the license provisions of § 5.12(b) are applicable to United States applications which were required to be made available for inspection under 35 U.S.C. 181 and § 5.1. The amendments also clarify the language of the paragraph and indicate that the more restrictive license under this paragraph includes authority to take actions in the foreign or international application, provided subject matter additional to that covered by the license is not involved. Section 5.15(c), as amended, clarifies the existing rule by expressly stating that the granting of a § 5.15(a) scope to a license under § 5.15(b) and conversion provisions of this paragraph are only applicable to material submitted under § 5.13 or United States applications, which are not, or were not, required to be made available for inspection under 35 U.S.C. 181 and § 5.1.

Sections 5.15(e) and (f), as amended, substitute a reference to § 5.15(a)(3) rather than to § 5.15(a)(4) which has been eliminated as a separate paragraph. Paragraph (e) also has been amended to state that changes to the general nature of the invention, which would require the application to have been

made available for inspection under 35 U.S.C. 181 and § 5.1, require a separate license.

Section 5.25(a), as amended, provides that the inventor may receive a retroactive license if the inventor can show that the premature filing of papers in a foreign patent office was made through error and without deceptive intent. This criterion is the same as that for "error without any deceptive intention" for reissue of a patent and replaces the previous standard of inadvertence. This section also has been amended to clarify that each country in which a proscribed filing occurred must be listed in a petition for retroactive license. Also, the rule has been amended to define a verified statement as being in the form of either an oath or a declaration. Finally, the rule has been clarified by defining the period over which error without deceptive intent must be shown as being the time leading up to and including the proscribed foreign filing.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Acting Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)) because the rules simplify the procedures for all United States inventors who file and prosecute applications in foreign countries.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individuals, industries, Federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of the United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These rules contain a collection of information requirement subject to the Paperwork Reduction Act which has previously been approved by the Office of Management and Budget under Control No. 0651-0011 with an expiration date of March 31, 1993. The average time for each petition for license under § 5.12(b) or § 5.25 is estimated to be approximately thirty (30) minutes, including time for reviewing instructions, gathering and maintaining data needed, and completing and reviewing the petition submission. Send comments regarding this burden estimate to the Patent and Trademark Office, Office of Management and Organization, Washington, D.C. 20231, and the Office of Management and Budget, Washington, D.C. 20503 (Attention: Paperwork Reduction Project 0651-0011).

List Of Subjects

37 CFR Part 5

Classified information, Exports, Foreign relations, Inventions and patents.

For the reasons set forth in the preamble, 37 CFR Part 5 is amended as set forth below.

PART 5 - SECRECY OF CERTAIN INVENTIONS AND LICENSES TO EXPORT AND FILE APPLICATIONS IN FOREIGN COUNTRIES

1. The authority citation for Part 5 is revised to read as follows:

Authority: 35 U.S.C. 6, 41, 181-188, as amended by the Patent Law Foreign Filing Amendments Act of 1988, Pub. L. 100-418 102 Stat. 1567; the Arms Export Control Act, as amended, 22 U.S.C. 2751 *et seq.*, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 *et seq.*, and the Nuclear Non-Proliferation Act

of 1978, 22 U.S.C. 3201 *et seq.*, and the delegations in the regulations under these acts to the Commissioner (15 CFR 370.10(j), 22 CFR 125.04, and 10 CFR 810.7).

2. Section 5.11, paragraphs (a) and (e), are revised to read as follows:

§ 5.11 License for filing in a foreign country an application on an invention made in the United States or for transmitting an international application.

(a) A license from the Commissioner of Patents and Trademarks under 35 U.S.C. 184 is required before filing any application for patent including any modifications, amendments, or supplements thereto or divisions thereof or for the registration of a utility model, industrial design, or model, in a foreign patent office or any foreign patent agency or any international agency other than the United States Receiving Office, if the invention was made in the United States and:

(1) An application on the invention has been on file in the United States less than six months prior to the date on which the application is to be filed, or

(2) No application on the invention has been filed in the United States.

* * * * *

(e) No license pursuant to paragraph (a) of this section is required:

(1) If the invention was not made in the United States, or

(2) If the corresponding United States application is not subject to a secrecy order under § 5.2, and was filed at least six months prior to the date on which the application is filed in a foreign country, or

(3) For subsequent modifications, amendments and supplements containing additional subject matter to, or divisions of, a foreign patent application if:

(i) a license is not, or was not, required under paragraph (e)(2) of this section for the foreign patent application;

(ii) the corresponding United States application was not required to be made available for inspection under 35 U.S.C. 181 and § 5.1; and

(iii) such modifications, amendments, and supplements do not, or did not, change the general nature of the invention in a manner which would require any corresponding United States application to be or have been available for inspection under 35 U.S.C. 181 and § 5.1.

* * * * *

3. Section 5.15, paragraphs (a), (b), (c), (e) and (f), are revised to read as follows:

§ 5.15 Scope of license.

(a) Applications or other materials reviewed pursuant to §§ 5.12 through 5.14, which were not required to be made available for inspection by defense agencies under 35 U.S.C. 181 and § 5.1, will be eligible for a license of the scope provided in this paragraph. This license permits subsequent modifications, amendments, and supplements containing additional subject matter to, or divisions of, a foreign patent application, if such changes to the application do not alter the general nature of the invention in a manner which would require the United States application to have been made available for inspection under 35 U.S.C. 181 and § 5.1. This license also covers the inventions disclosed in foreign applications which had been granted a license under this part prior to April 4, 1984, and which were not subject to security inspection under 35 U.S.C. 181 and § 5.1. Grant of this license authorizes the export and filing of an application in a foreign country or the transmitting of an international application to any foreign patent agency or international patent agency when the subject matter of the foreign or international application corresponds to that of the domestic application. This license includes authority:

(1) To export and file all duplicate and formal application papers in foreign countries or with international agencies;

(2) To make amendments, modifications, and supplements, including divisions, changes or supporting matter consisting of

the illustration, exemplification, comparison, or explanation of subject matter disclosed in the application; and

(3) To take any action in the prosecution of the foreign or international application provided that the adding of subject matter or taking of any action under paragraphs (a)(1) and (2) of this section does not change the general nature of the invention disclosed in the application in a manner which would require such application to have been made available for inspection under 35 U.S.C. 181 and § 5.1 by including technical data pertaining to:

(i) Defense services or articles designated in the United States Munitions List applicable at the time of foreign filing, the unlicensed exportation of which is prohibited pursuant to the Arms Export Control Act, as amended, and 22 CFR Parts 121 through 130; or

(ii) Restricted Data, sensitive nuclear technology or technology useful in the production or utilization of special nuclear material or atomic energy, the dissemination of which is subject to restrictions of the Atomic Energy Act of 1954, as amended, and the Nuclear Non-Proliferation Act of 1978, as implemented by the regulations for Unclassified Activities in Foreign Atomic Energy Programs, 10 CFR Part 810, in effect at the time of foreign filing.

(b) Applications or other materials which were required to be made available for inspection under 35 U.S.C. 181 and § 5.1 will be eligible for a license of the scope provided in this paragraph. Grant of this license authorizes the export and filing of an application in a foreign country or the transmitting of an international application to any foreign patent agency or international patent agency. Further, this license includes authority to export and file all duplicate and formal papers in foreign countries or with foreign and international patent agencies and to make amendments, modifications, and supplements to, file divisions of, and take any action in the prosecution of the foreign or international application, provided subject matter additional to that covered by the license is not involved.

(c) A license granted under § 5.12(b) pursuant to § 5.13 or § 5.14 shall have the scope indicated in paragraph (a) of this section, if it is so specified in the license. A petition, accompanied by the required fee (§ 1.17(h)), may also be filed to change a license having the scope indicated in paragraph (b) of this section to a license having the scope indicated in paragraph (a) of this section. No such petition will be granted if the copy of the material filed pursuant to § 5.13 or any corresponding United States application was required to be made available for inspection under 35 U.S.C. 181 and § 5.1. The change in the scope of a license will be effective as of the date of the grant of the petition.

* * * * *

(e) Any paper filed abroad or transmitted to an international patent agency following the filing of a foreign or international application which changes the general nature of the subject matter disclosed at the time of filing in a manner which would require such application to have been made available for inspection under 35 U.S.C. 181 and § 5.1 or which involves the disclosure of subject matter listed in paragraphs (a)(3)(i) or (ii) of this section must be separately licensed in the same manner as a foreign or international application. Further, if no license has been granted under § 5.12(a) on filing the corresponding United States application, any paper filed abroad or with an international patent agency which involves the disclosure of additional subject matter must be licensed in the same manner as a foreign or international application.

(f) Licenses separately granted in connection with two or more United States applications may be exercised by combining or dividing the disclosures, as desired, provided:

(1) Subject matter which changes the general nature of the subject matter disclosed at the time of filing or which involves subject matter listed in paragraphs (a)(3)(i) or (ii) of this section is not introduced, and

(2) In the case where at least one of the licenses was obtained under § 5.12(b), additional subject matter is not introduced.

* * * * *

4. Section 5.25, paragraph (a), is revised to read as follows:

§ 5.25 Petition for retroactive license

(a) A petition for a retroactive license under 35 U.S.C. 184 shall be presented in accordance with § 5.13 or § 5.14 (a), and shall include:

(1) A listing of each of the foreign countries in which the unlicensed patent application material was filed,

(2) The dates on which the material was filed in each country,

(3) A verified statement (oath or declaration) containing:

(i) An averment that the subject matter in question was not under a secrecy order at the time it was filed abroad, and that it is not currently under a secrecy order,

(ii) A showing that the license has been diligently sought after discovery of the proscribed foreign filing, and

(iii) An explanation of why the material was filed abroad through error and without deceptive intent without the required license under § 5.11 first having been obtained, and

(4) The required fee (§ 1.17(h)).

The above explanation must include a showing of facts rather than a mere allegation of action through error and without deceptive intent. The showing of facts as to the nature of the error should include statements by those persons having personal knowledge of the acts regarding filing in a foreign country and should be accompanied by copies of any necessary supporting documents such as letters of transmittal or instructions for filing. The acts which are alleged to constitute error without deceptive intent should cover the period leading up to and including each of the proscribed foreign filings.

* * * * *

Nov. 28, 1990

HARRY F. MANBECK, JR.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1123 OG 20]

(138) Guidelines for Extension of Patent Term Under 35 U.S.C. 156

This notice is intended to establish initial guidelines for patent owners who are seeking extensions of patent terms pursuant to newly enacted 35 U.S.C. 156. These guidelines will be effective until further notice. Section 156 of Title 35, United States Code, provides that a patent owner seeking an extension of the term of a patent pursuant to its provisions must submit an application to the Commissioner of Patents and Trademarks (hereinafter Commissioner) within a certain defined period of time. Section 156 specifies certain components the application is to contain, including "such patent or other information as the Commissioner may require." See 35 U.S.C. 156(d) (1) (E). Section 156(d) (4) also provides that "[a]n application for the extension of the term of a patent is subject to the disclosure requirements prescribed by the Commissioner." Section 156(h) provides that the "Commissioner may establish such fees as the Commissioner determines appropriate to cover the costs to the Office of receiving and acting upon applications under this section." The purpose of this notice is to provide the guidelines which a patent owner or its agent should use in deciding whether to submit an application for the extension of the term of a patent to the Patent and Trademark Office and in actually making the submission of such an application. This notice is divided into a number of sections set forth below which treat various determinations which have to be made by a patent owner or its agent prior to submission of an application and further includes guidelines as to the actual content of an application for extension of the term of a patent.

A patent owner or its agent should use the guidelines in the various sections set forth below in determining whether a patent is subject to, and meets the conditions for, extension of its term. If so, the patent owner or its agent should also use the guidelines set forth below in preparing and filing an application for extension of the patent term. If any application for extension of the term of a patent is filed in accordance with 35 U.S.C. 156 before the date on which this notice is published in the Official Gazette and is not in compliance with the requirements of this notice, applicant will be notified of the deficiencies in the

application and will be given a period of time within which to correct the deficiencies.

Guidelines

§ A. Patents subject to extension of the patent term.

(a) Any patent which claims a product as defined in paragraph (b) of this section, or a method of using such a product, or a method of manufacturing such a product, is subject to being extended in accordance with 35 U.S.C. 156.

(b) The term "product" referred to in paragraph (a) of this section means (1) a human drug product or (2) any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act. The term "human drug product" means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

§ B. Conditions for extension of term of a patent.

The term of a patent may be extended if:

- (a) the patent claims a product or a method of using or manufacturing a product as defined in § A of this notice;
- (b) the term of the patent has never been previously extended except for any interim extension issued pursuant to 35 U.S.C. 156(e) (2);
- (c) an application for extension is submitted pursuant to § D of this notice;
- (d) the product has been subject to a regulatory review period as defined in 35 U.S.C. 156(g) and by the Secretary of Health and Human Services before its commercial marketing or use;
- (e) the product has received permission for commercial marketing or use and (i) the application is submitted within the sixty day period beginning on the date the product first received permission for commercial marketing or used under the provision of law under which the applicable regulatory review period occurred, or (ii) in the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the application for extension is submitted within the sixty day period beginning on the date of the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent;
- (f) the term of the patent has not expired before the submission of an application pursuant to § D of this notice; and
- (g) no other patent has been extended for the same regulatory review period for the product.

§ C. Applicant for extension of patent term.

Any application for extension of a patent term must be submitted by the owner of record of the patent or its agent and must comply with the requirements of § D of this notice.

§ D. Application for extension of the term of a patent.

- (a) An application for extension of the term of a patent must be made in writing to the Commissioner of Patents and Trademarks. The filing date of an application for extension of the term of a patent is the date on which the complete application for extension and a duplicate of the papers thereof, certified as such, are received in the Patent and Trademark Office or filed pursuant to the provisions of 37 CFR 1.10. The provisions of 37 CFR 1.8 should not be used to file an application for the extension of the term of a patent.
- (b) A complete application for the extension of the term of a patent comprises:
 - (1) a complete identification of the approved product as by appropriate chemical and physical structure or characteristics;

- (2) a complete identification of the Federal statute including the applicable provision of law under which the regulatory review occurred;
 - (3) an identification of the date on which the product received permission for commercial marketing or use under the provision of law under which the applicable regulatory review period occurred;
 - (4) a statement that the application is being submitted within the sixty day period permitted for submission and an identification of the date of the last day on which the application could be submitted;
 - (5) a complete identification of the patent for which an extension is being sought by the name of the inventor, the patent number, and the date of issue;
 - (6) a copy of the patent for which an extension is being sought, including the entire specification (including claims) and drawings, in the form of a cut-up copy of the original patent with only a single column of the printed patent securely mounted or reproduced in permanent form on one side of a separate paper;
 - (7) a copy of any disclaimer, certificate of correction, receipt of maintenance fee payment, or reexamination certificate issued in the patent;
 - (8) a statement that the patent claims the approved product or a method of using or manufacturing the approved product, and a showing which lists each applicable patent claims and demonstrates the manner in which each applicable patent claim reads on the approved product or a method of using or manufacturing the approved product;
 - (9) the relevant dates and information pursuant to 35 U.S.C. 156(g) in order to enable the Secretary of Health and Human Services to determine the applicable regulatory review period;
 - (10) a brief description of the activities undertaken by the applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities;
 - (11) a statement that in the opinion of the applicant the patent is eligible for the extension and a statement as to the length of extension claimed, including how the length of extension was determined;
 - (12) a statement that applicant acknowledges a duty to disclose to the Commissioner of Patents and Trademarks and the Secretary of Health and Human Services any information which is material to any determinations to be made relative to the application for extension; and
 - (13) the prescribed fee for receiving and acting upon the application for extension (see § F of this notice) and an oath or declaration as set forth in paragraph (c) of this section.
- (c) Any application for extension of the term of a patent submitted pursuant to paragraphs (a) and (b) of this section must include an oath or declaration signed by the owner of record of the patent or its agent which specifically identifies the application papers and the patent for which an extension is sought and avers that the person signing the oath or declaration:
- (1) has reviewed and understands the contents of the application being submitted pursuant to this section;
 - (2) believes the patent is subject to extension pursuant to § A of this notice;
 - (3) believes an extension of the length claimed is fully justified under 35 U.S.C. 156; and
 - (4) believes the patent for which the extension is being sought meets the conditions for extension of the term of a patent as set forth in § B of this notice.
- (d) If any application for extension of the term of a patent submitted pursuant to this section is held to be incomplete, applicant may seek to have that holding reviewed by filing a petition pursuant to 37 CFR 1.182 within such time as may be set, or if no time is set, within one month of the date on which the application was held incomplete.

§ E. Interim extension of the term of a patent.

An applicant who has filed an application for extension pursuant to § D of this notice may request one or more interim extensions for periods of up to one year pending a final determination on the application. Any such request should be filed at least three months prior to the expiration date of the patent. The Commissioner may issue interim extensions for periods of up to one year until a final determination is made without a request by the applicant. In no event will the interim extensions granted under this section be longer than the maximum period of extension to which the applicant would be eligible.

§ F. *Fee for receiving and acting on an application for extension of the term of a patent.*

Pursuant to 35 U.S.C. 156(h) the Commissioner has determined that a fee of \$750.00 is appropriate to cover the costs to the Patent and Trademark Office of receiving and acting upon applications for extension of the term of a patent filed pursuant to 35 U.S.C. 156. The fee should accompany the application when filed. If a fee in a different amount is adopted in Title 37 of the Code of Federal Regulations, applicant will be refunded any excess or required to submit any deficiency.

§ G. *Address for application for extension of the term of a patent and communications relating thereto.*

All applications for extension of the term of a patent and any communications relating thereto intended for the Patent and Trademark Office should be addressed to the Commissioner of Patents and Trademarks, Box Patent Ext., Washington, D.C. 20231. When appropriate, the communication should also be marked to the attention of a particular individual.

§ H. *For further information contact:*

R. Franklin Burnett by telephone at (703) 557 3054 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Summary

The initial guidelines set forth above are considered to be appropriate and authorized by 35 U.S.C. 156. They will provide appropriate guidance to patent owners and their agents pending appropriate changes which will be made in Title 37 of the Code of Federal Regulations.

DONALD J. QUIGG,
Acting Commissioner of
Patents and Trademarks.

Sept. 25, 1984.

[1047 O.G. 16]

(139) **Department of Commerce
Patent and Trademark Office**

**37 CFR Part 1
[Docket No. 60594-7007]**

Rules for Extension of Patent Term

Agency: Patent and Trademark Office, Commerce.
Action: Final rule.

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent cases, Part 1 of Title 37, Code of Federal Regulations, to provide the rules and procedures under which extensions in the terms of patents may be sought pursuant to the provisions of 35 U.S.C. 156 which was enacted on Sept. 24, 1984 in Title II of Pub. L. 98 417, the "Drug Price Competition and Patent Term Restoration Act of 1984." The new 35 U.S.C. 156 provides that, upon application to the Commissioner of Patents and Trademarks, the term of a particular patent, which claims a product or a method of using or manufacturing a product as defined in the Public Law, may be extended under certain circumstances and conditions where the product has been subject to a regulatory review as defined in Pub. L. 98 417 and by the Secretary of Health and Human Services, before its commercial marketing or use. The rule

changes amending Part 1 of Title 37 would provide specific procedures for the submission of such applications to the Patent and Trademark Office and for the determination and issuance of certificates of patent term extension (PTE) by the Patent and Trademark Office on the applications submitted.

Effective Date: May 26, 1987.

For Further Information Contact: Charles E. Van Horn by telephone at (703) 557-3637 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: A notice of proposed rulemaking was published in the *Federal Register* on July 30, 1986, at 51 FR 27205 27215 and in the *Official Gazette* on Aug. 19, 1986, at 1069 O.G. 25 34. An oral hearing was held on Sept. 15, 1986. Sixteen written letters and statements were submitted. Two (2) persons testified at the oral hearing which resulted in ten (10) pages of testimony.

Objectives of the Rule Change

The rule change makes some clarifications and additions to the initial operating guidelines which were published as "Guidelines for Extension of Patent Term under 35 U.S.C. 156" in the *Official Gazette* of the PTO on Oct. 9, 1984. Several of the changes are designed to adopt and implement suggestions from members of the public.

Discussion of Specific Rules

Section 1.1 is amended to indicate that applications for extension of patent terms and any communications relating thereto intended for the Patent and Trademark Office should be directed to "Box Patent Ext."

The filing of an application for an extension of the term of a patent would be considered timely if received in the Patent and Trademark Office on or before the statutory deadline, or if the application is deposited with the U.S. Postal Service in accordance with the provisions of § 1.8 or § 1.10 of this part before the statutory deadline. The filing of an application for an extension of the term of a patent would be treated in the same manner as the filing of any paper required to be filed in the Patent and Trademark Office within a set period of time and not subject to the exceptions enumerated in 37 CFR 1.8(a).

Section 1.20 is amended to add paragraph (n) to establish a fee of \$550.00 for filing an application for extension of the term of a patent pursuant to § 1.740. This amount is set to cover the costs to the Patent and Trademark Office of receiving and acting upon applications for extension of patent term as provided in 35 U.S.C. 156(h) based upon PTO experience in processing applications for patent term extension during the first two years of implementation.

Comment:

The reduction in the fee for filing an application for patent term extension from \$750.00 to \$550.00 has raised the question of how to obtain refunds for those applications filed under the initial operating guidelines.

Reply:

When the final rules are approved, refunds will be made to those who paid the higher fee without any request being filed. Although the final rules do not take effect until 60 days from publication in the *Federal Register*, the fee of \$550.00 should be paid with any application filed after the date of this publication of the final rules.

Comment:

It has been suggested that a lower fee be set for the filing of a patent term extension application which would be applicable to small entities.

Reply:

This suggestion has not been adopted since there is no statutory provision for such a fee structure.

A new "Subpart F Extension of Patent Term" is added to Part 1 to include §§ 1.710 through 1.785.

Section 1.710 defines the patents subject to extension of the patent term. Paragraph (a) of § 1.710 defines the patents subject to extension in terms of the subject matter being claimed therein. Under paragraph (a) of § 1.710 a patent to (1) a product, (2) a method of using a product, (3) or a method of manufacturing a product can be extended as long as the product meets the definition contained in paragraph (b) of § 1.710, and as long

as the other conditions and requirements for extension of patent term are met. Paragraph (b) of § 1.710 follows the language of 35 U.S.C. 156 and defines a "product" as meaning (1) a human drug product or (2) any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act. The term "human drug product" as defined in paragraph (b) of § 1.710 means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

Comment:

It has been proposed that § 1.710 be modified to specifically acknowledge that patents claiming pharmaceutical compositions or formulations of the "product" are eligible for extension or alternatively to modify the term "product" to include such compositions or formulations.

Reply:

"Product" is specifically defined in 35 U.S.C. 156(f) as follows. For a human drug product, the term means "the active ingredient of a new drug, antibiotic drug or human biological product (as those terms are used in the Federal Food, Drug and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity, or in combination with another active ingredient." A patent is considered to claim the product where it claims the active ingredient per se, or claims a composition or formulation which contains the active ingredient(s) and reads on the composition or formulation approved for commercial marketing or use.

Comment:

It has been suggested that the language of § 1.710(b) be modified to read "(1) a human drug product (i.e., the active ingredient of a new drug, antibiotic drug or human biological product, as those terms are used in the Federal Food, Drug, and Cosmetic Act and/or the Public Health Service Act)", with a similar modification at the bottom of the paragraph.

Reply:

Since the language used in this section of the rule tracks the statutory language on which it is based and to avoid possible confusion or unnecessary ambiguity, the proposed modification has not been adopted.

Comment:

It has been suggested that the definition of the term "product" be broadened to specifically refer to product-by-process claimed products.

Reply:

The term "product" as defined in the statute and rules is considered to encompass any means of defining a product. Product-by-process claims are only an alternative form available to claim a product. Neither the proposed rules nor statute limit the manner of claiming a product.

Section 1.720 defines the conditions under which the term of a patent may be extended. The conditions for extension are:

(1) The patent must claim a product or a method of using or manufacturing a product as defined in § 1.710;

(2) The term of the patent must never have been previously extended except for any interim extension issued pursuant to § 1.760;

(3) An application for extension must be submitted in compliance with § 1.740;

(4) The product must have been subject to a regulatory review period as defined in 35 U.S.C. 156(g) before its commercial marketing or use;

(5) The product must have received permission for commercial marketing or use and (i) the permission for the commercial marketing or use of the product must be the first received permission for commercial marketing or use under the provision of law under which the applicable regulatory review occurred, or (ii) in the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use must be the first received permission for the commercial marketing or use of a product manufactured under the process claimed in the patent;

(6) The application must be submitted within the sixty day period beginning on the date the product first received permission for commercial marketing or use under the provisions of

law under which the applicable regulatory review period occurred, or in the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the application for extension must be submitted within the sixty day period beginning on the date of the first permitted commercial marketing or use of the product manufactured under the process claimed in the patent;

(7) The term of the patent must not have expired before the submission of an application in compliance with § 1.741; and

(8) No other patent term must have been extended for the same regulatory review period for the product.

Comment:

It has been suggested that § 1.720(e) be modified to avoid combining the two statutory requirements that (1) the product is an approved product, that is, it has received permission for commercial marketing or use and (2) that the application be submitted within the sixty day period beginning on the date the product first received permission for commercial marketing or use.

Reply:

The section has been modified to be more consistent with the underlying statutory language. In addition, subsection (e)(i) has been changed to (f), the term (ii) has been cancelled and subsections (f) and (g) have been relettered as (g) and (h) respectively. Thus, each statutory requirement is separately provided for as suggested.

Comment:

The rule appears to distinguish between the date when commercial marketing or use is "first permitted" for products made by DNA method inventions, versus the date a product first "received permission" for commercial marketing or use. Since this distinction is not required by the statute which uses the language "first permitted commercial marketing or use" in each case, is there some other policy reason for the apparent distinction?

Reply:

No distinction was intended, simply a different combination of words used to describe the same date—i.e. the date of "first permitted commercial marketing or use."

Comment:

It has been suggested that patent term extension should not be available for a patent in which a terminal disclaimer has been filed and particularly where such a terminal disclaimer was necessary to avoid double patenting.

Reply:

The suggestion has not been adopted since there is no statutory basis for denying an application for patent term extension where the term of the patent sought to be extended is affected by a terminal disclaimer.

Section 1.730 requires that an application for extension of a patent be submitted by the owner of record of the patent or its agent and that the application must comply with the requirements of § 1.740. The application papers submitted would be required to clearly reflect and establish the authority of the person submitting the application to do so on behalf of the owner. See § 1.740(b). For example, if the person submitting the application is the owner of record, the application papers would be required to so reflect. If the person submitting the application is doing so as the agent of the owner of record, the application papers must so reflect and establish the authority of the agent to act on behalf of the owner, e.g., as an officer of a corporate owner.

Comment:

It has been suggested that § 1.730 be deleted as being redundant with §§ 1.720(c) and 1.740(b).

Reply:

This suggestion has not been adopted. Section 1.730 repeats the statutory requirement as to those eligible to file the application for patent term extension. Sections 1.720(c) and 1.740(b) reflect the Commissioner's rule making authority as to what is necessary to demonstrate that the statutory requirement has been met by defining (1) who must sign the oath or declaration which accompanies an application for patent term extension and (2) the contents of the oath and declaration. Thus the sections are not redundant.

Section 1.740 establishes the contents and requirements of an application for extension of patent term. Paragraph (a) of § 1.740 requires that the application be made in writing to the

Commissioner of Patents and Trademarks. The certified duplicate of the application papers will serve as the copy to be submitted by the Commissioner to the Secretary of Health and Human Services in order that the Secretary may determine the applicable regulatory review period as required by Pub. L. 98 417.

Paragraph (a) of § 1.740 further specifies the contents of a formal application for extension of patent. If the application does not meet all formal requirements when submitted, the applicant will be notified of the informalities and may seek to have that holding reviewed under § 1.740(c). In accordance with paragraph (a) of § 1.740, a formal application for the extension of the term of a patent shall include:

(1) A complete identification of the approved product as by appropriate chemical and generic name, physical structure or characteristics that would permit the Commissioner to make a determination of whether the patent claims the approved product, or a method of making or using the approved product;

(2) A complete identification of the Federal statute including the applicable provision of law under which the regulatory review occurred;

(3) An identification of the date on which the product received permission for commercial marketing or use under the provision of law under which the applicable regulatory review period occurred;

(4) In the case of a human drug product, an identification of each active ingredient in the product and as to the product and each active ingredient, a statement that they have not been previously approved for commercial marketing or use under the Federal Food Drug and Cosmetic Act, or a statement of when the active ingredient was approved for commercial marketing or use (either alone or in combination with other active ingredients) and the provision of law under which it was approved;

(5) A statement that the application is being submitted within the sixty day period permitted for submission pursuant to proposed § 1.720(f) and an identification of the date of the last day on which the application could be submitted;

(6) A complete identification of the patent for which an extension is being sought by the name of the inventor, the patent number, the date of issue, and the date of expiration;

(7) A copy of the patent for which an extension is being sought, including the entire specification (including claims) and drawings;

(8) A copy of any disclaimer, certificate of correction, receipt or statement of maintenance fee payment, or reexamination certificate issued in the patent;

(9) A statement beginning on a new page that the patent claims the approved product or a method of using or manufacturing the approved product, and a showing which lists each applicable patent claim and demonstrates the manner in which each applicable patent claim reads on the approved product or a method of using or manufacturing the approved product;

(10) A statement beginning on a new page of the relevant dates and information pursuant to 35 U.S.C. 156(g) in order to enable the Secretary of Health and Human Services to determine the applicable regulatory review period.

(i) For a human drug product, this information will include the effective date of the investigational new drug (IND) application and the IND number; the date on which a new drug application (NDA) was initially submitted and the NDA number; and the date on which the NDA was approved;

(ii) For a food or color additive, this information will include the date a major health or environmental effects test on the additive was initiated and any available substantiation of that date; the date on which a petition for product approval under the Federal Food, Drug and Cosmetic Act was initially submitted and the petition number; and the date on which the application was approved;

(iii) For a medical device, this information will include the effective date of the investigational device exemption (IDE) and the IDE number, if applicable, or the date on which the applicant began the first clinical investigation involving the device if no IDE was submitted and any available substantiation of that date; the date on which an application for product approval under section 515 of the Federal Food, Drug and Cosmetic Act was initially submitted and the number of the application; and the date on which the application was approved.

In the cases where there is no regulatory event to reflect the commencement of the testing or approval phase of the regulatory

review period, applicants should include in the application the dates that they claim initiate either the approval or the testing phases and an explanation of their reasonable basis for why they conclude that these dates are the relevant dates. For instance, when the clinical trials are conducted outside the United States, the testing phase for a medical device begins on the date the clinical investigation involving the device was begun. An applicant should include an explanation as to why the date claimed is the date on which such clinical investigations had commenced. If the applicant had any means of substantiating that date, that information should be included in the application.

Finally, on this separate page in the application there should be a statement as to the length of the regulatory review period claimed including an explanation of how the applicant determined the length of the regulatory review period. It should be noted in the application that this particular calculation is made solely with respect to section 156(G)(1) thru (3) of Title 35 of the United States Code and does not take into account any other limitations or restrictions on the length of possible patent extension.

(11) A brief description beginning on a new page of the significant activities undertaken by the marketing applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities. This description should include an identification of significant communications of substance with the Food and Drug Administration (FDA) and the dates related to such communications. For example, these activities would include the dates of the submission of new data to the FDA, communications between FDA and the applicant with respect to the appropriate protocols for testing the product, and communications between FDA and the applicant that are attempts to define the particular requirements for premarketing approval of this particular product.

(12) A statement beginning on a new page that in the opinion of the applicant the patent is eligible for the extension and a statement as to the length of extension claimed, including how the length of extension was determined and whether the 14 year limit of 35 U.S.C. 156(c)(3), the five year limit of 35 U.S.C. 156(g)(4)(A) or (B) or the two year limit of 35 U.S.C. 156(g)(4)(C) applies.

(13) A statement that applicant acknowledges a duty to disclose to the Commissioner of Patents and Trademarks and the Secretary of Health and Human Services any information which is material to the determination of entitlement to the extension sought (see § 1.765);

(14) The prescribed fee for receiving and acting upon the application for extension (see § 1.20(n));

(15) The name, address, and telephone number of the person to whom contacts and correspondence relating to the application for patent term extension are to be directed;

(16) A duplicate of the application papers, certified as such; and

(17) An oath or declaration as set forth in paragraph (b) of this section.

Paragraph (b) of § 1.740 requires that an oath or declaration signed by the owner of record of the patent or its agent accompany the application as a part thereof. An application for extension filed without an oath or declaration is not a formal application. The oath or declaration filed as a part of the application must specifically identify the application papers and the patent for which an extension is sought and include averments that the person signing the oath or declaration:

(1) Is the owner, an official of a corporate owner authorized to obligate the corporation, or a patent attorney or agent authorized to practice before the Patent and Trademark Office and who has general authority from the owner to act on behalf of the owner in patent matters.

(2) Has reviewed and understands the contents of the application being submitted pursuant to § 1.740;

(3) Believes the patent is subject to extension pursuant to § 1.710;

(4) Believes an extension of the length claimed is fully justified under 35 U.S.C. 156 and the applicable regulations; and

(5) Believes the patent for which the extension is being sought meets the conditions for extension of the term of a patent as set forth in § 1.720.

In signing the oath or declaration referred to in paragraph (b) of § 1.740 an official of a corporate owner or an attorney or agent acting on behalf of the owner is representing that he or she is the agent of the owner and has authority to act on behalf of the owner in filing the application for patent term extension. Note also § 1.730.

Paragraph (c) of § 1.740 provides for review of a holding that an application for patent term extension is informal by the filing of a petition with any appropriate fee, if necessary, pursuant to §§ 1.181, 1.182 or 1.183 of this title. Should an applicant disagree with the holding of informality and wish to have the holding reviewed, a petition under 37 CFR 1.181 would be appropriate. If applicant chooses to provide additional information to correct the informality, a petition under 37 CFR 1.182, accompanied by the required fee, should accompany such affiling.

The failure to timely comply with any requirement of these regulations which is not an explicit requirement of the statute may be waived under the appropriate circumstances in accordance with 37 CFR 1.183. While timely action is expected, relief under 37 CFR 1.183 may be appropriate in view of the tight time deadlines and other circumstances involved in filing an application for extension of the patent term. Any such petition must be filed with the required fee within such time as may be set, or if no time is set, within one month of the holding.

Comment:

It has been suggested that § 1.740 be modified in order to permit the obtaining of a filing date for an application should it be found not to meet all of the requirements of § 1.740(a). The suggestion arises from a concern that an application which was filed within the 60 day filing period provided by statute and which was subsequently found to be informal within the meaning of the rules, might lose the filing date for failing to meet all requirements of the rules at the time of filing. Since the period for filing an application for patent term extension is limited by statute, it might not be possible for an applicant to correct such informalities within the statutory period of 60 days and could result in the loss of rights to an extension. In this regard it has also been suggested that the rules be modified to allow a filing date for a "substantially complete application" which might have been determined by the Patent and Trademark Office to be incomplete or informal.

Reply:

This suggestion has been essentially adopted by providing a new section designated 1.741 which specifically defines the requirements which must be met in order for an application to be entitled to a filing date. These requirements are those set forth in 35 U.S.C. 156(d)(1). Section 1.740(b) has been relettered as (a) and defines what constitutes a "formal application". Subparagraph (c) now provides for notice to applicant in the event that the application as filed is found to be informal as well as applicant's recourse to such a holding. If the requirements of § 1.741 are met, the filing date will have been established as provided therein even if the application is held to be informal under § 1.740.

Comment:

Clarification of the requirements of §§ 1.740 (a)(1) and 1.740 (a)(4) has been requested with regard to products or methods of making or using them so as not to require the submission of trade secret information unless necessary for a determination of eligibility for patent term extension or at least enable the PTO to maintain the information of this type as a trade secret.

Reply:

There is no provision in the statute or proposed rules for withholding from the public any information that is submitted to the PTO or FDA relating to an application for patent term extension. If proprietary or trade secret information is submitted to the Office, and specifically identified as such, it will be maintained in secret by the PTO until a certificate of patent term extension is issued. Identification should be made by page, line and word as necessary. If such information was necessary to a determination of eligibility or any other PTO responsibility under 35 U.S.C. 156, it will be made public at the time the certificate is issued. Otherwise, the trade secret information will be expunged from the file and returned to the patent term extension applicant, if the information regard as a trade secret is specifically identified.

Comment:

Section 1.740(a)(4) is confusing because it is unclear whether an applicant for a patented formulation that combines two active

agents must submit information as to the regulatory review periods for each active ingredient separately, the combined active agents, or all of the above.

Reply:

All of the above is correct, so that a determination can be made under 35 U.S.C. 156(a)(5).

Comment:

Section 1.740(a)(4) should be modified to include a statement that the applicant is not prejudiced by the rule requirements in obtaining a patent term extension where some, but not all, active ingredients have been approved by the FDA for commercial marketing or use prior to approval of the new chemical entity (NCE) claimed in the patent for which a PTE application has been filed.

Reply:

The basic issue presented by this comment is whether a patent claiming an approved product containing an old active ingredient (approved by FDA in a prior regulatory review) and a new active ingredient is eligible for patent term extension. The PTO has a long standing policy of not addressing an issue in advance of receiving an application presenting the issue for determination. However, the concept of patent term restoration appears to be directed to those situations where a new chemical entity is involved as an active ingredient, regardless of the content of the balance of the formulation approved by the FDA.

Comment:

It has been suggested that § 1.740(a)(4) be deleted as redundant with §§ 1.740(a)(1) and 1.740(a)(3) and might be interpreted as requiring information not authorized by statute.

Reply:

Section 1.740(a)(4) requires a statement, by applicant, that each active ingredient present in the approved product has not been previously approved for commercial marketing and use. This is a different requirement from either § 1.740(a)(1) or § 1.740(a)(3) which require an identification of the approved product and an identification of the date on which the product received permission for commercial marketing or use. This information is important to a determination of eligibility under 35 U.S.C. 156(a)(5). As to the question of information authorized by statute, 35 U.S.C. 156(d)(1)(E) permits the Commissioner to request any such information required.

Comment:

It has been suggested that § 1.740(a)(6) be modified to include a requirement that the application, in identifying the patent for which extension is sought, include the date of expiration and such information should take into account any terminal disclaimer.

Reply:

Section 1.740(a)(6) has been modified to require a statement of the expiration date.

Comment:

It was observed that the proposed rules no longer require a "reissue style" cut-up copy of the original patent.

Reply:

The observation is accurate since the PTO has found that a cut-up copy has not been required and only adds unnecessary work for the applicant and bulk to the application.

Comment:

It has been suggested that § 1.740(a)(8) be modified by adding the requirement for a copy of any decision by a court of competent jurisdiction, which decision is adverse to the validity of the patent.

Reply:

This suggestion has not been adopted because the patent owner or agent has a duty of disclosure under § 1.765 which would reasonably include the obligation to bring such a decision to the attention of the Office.

Comment:

It has been suggested that the comments in the proposed preamble regarding § 1.740(a)(10) be revised to reflect that this subsection does not require a statement of the length of the regulatory review period and how it was determined.

Reply:

This observation concerning the requirements of § 1.740(a)(10) was correct since there was no requirement that a description be provided as to how the regulatory review period is determined. However, since it would be helpful to the FDA in confirming its own calculation to have a statement concerning the length of the regulatory review period, including how the

length was determined, these requirements have been made a part of § 1.740(a)(10).

Comment:

It is suggested that the language of § 1.740(a)(11) which calls for a description of the activities carried out by the "applicant" is too restrictive since other parties may be involved in or sponsoring the FDA approval work.

Reply:

The provisions of § 1.740(a)(11) have been modified to point out that a description of the activities of the marketing applicant before the FDA is required.

Comment:

It has been suggested that § 1.740(a)(11) should be modified to require a description of "significant" or "material" activities undertaken by the marketing applicant during the applicable regulatory review period. It is argued that the section taken in combination with the related discussion in the proposed preamble places too great a burden on an applicant, i.e. submission of summaries of all communications and all dates of any activities regarding the FDA approval process.

Reply:

The section has been modified so as to require a brief description of the significant activities undertaken by the marketing applicant during the applicable regulatory review period and the significant dates applicable thereto. Thus the requirements of this section may be met by an identification of significant communications of substance with the FDA during the regulatory review period and the dates related to such communications. There is no intent on the part of the PTO to broaden the burden of the statute, in regard to the description of the activities to which this section pertains, by requiring submission of insignificant details. The PTO does not read the statute to require an applicant to establish the existence of due diligence during the regulatory review period in order to have a complete application. It is recognized that the regulatory review process may be continuous and protracted. Not all communications are material to that process but certainly all of those which are significant to the regulatory review process should be identified. It is sufficient that the description of the activities briefly identify those significant activities undertaken by the marketing applicant in order to identify significant events in the effort directed toward regulatory approval of the product.

Comment:

It has been suggested that the requirement of § 1.740(b)(1) that the person signing or declaring other than either the patent owner or corporate owner with the authority to obligate the corporation must have "specific" written authority to sign the oath or declaration was confusing and might well work a hardship on applicants since the rule is unclear as to just what type of authorization is required.

Reply:

This section has been modified to include an attorney or agent who has general authority to take action on behalf of the patent owner with respect to patent matters so long as that person is registered to practice before the Patent and Trademark Office.

Comment:

It has been suggested that § 1.740(c), which permits an applicant whose application has been found to be informal to file a petition with the required fee pursuant to §§ 1.181, 1.182 or 1.183, is unduly burdensome for minor informalities. It has been suggested, therefore, that an applicant be given a period in which to resubmit the application in corrected form together with a fee and avoid the filing of the described petition.

Reply:

This suggestion has not been adopted since the PTO expects that the application will be complete and formal as filed. A petition, with the appropriate fee, as necessary is a well recognized mechanism for reviewing a holding that a defect exists or curing a defect in papers that have been submitted and providing an opportunity for applicant to explain how the defect occurred.

Section 1.741 provides that the filing date of an application for patent term extension will be the date on which an application is received in the Patent and Trademark Office or filed pursuant to the "Certificate of Mailing" provisions of 37 CFR 1.8 or "Express Mail" provisions of 37 CFR 1.10 and which includes all of the following:

(2) An identification of the Federal statute under which regulatory review occurred;

(3) An identification of the patent for which an extension is being sought;

(4) An identification of each claim of the patent which claims the approved product or a method of using or manufacturing the approved product;

(5) Sufficient information to enable the Commissioner to determine under 35 U.S.C. 156 subsection (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services to determine the period of the extension; and

(6) A brief description of the activities undertaken by the marketing applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities.

Section 1.741(b) provides that if an application submitted pursuant to this section is held to be incomplete, applicant may seek to have this holding reviewed under § 1.181.

Section 1.741 has been provided in response to concerns presented in many of the written comments received as to the limited statutory time period for filing an application for patent term extension and the possibility of not obtaining a filing date within the 60 day period during which the statute requires such an application to be filed. The rule now provides that the filing date will be that date on which the application is filed with the PTO and meets those requirements specifically set forth. These requirements are those specifically required by the statutory language of 35 U.S.C. 156(d)(1). The PTO will consider each of these statutory requirements to be satisfied in an application which provides sufficient information, directed to each requirement, to act on the application, even though further information may be desired by the PTO or Secretary before a final determination of eligibility and length of patent term extension is made.

Section 1.750 covers the determination of eligibility for extension of the term of a patent which will be made by the Patent and Trademark Office on the application for extension. As provided for by Pub. L. 98-417, and as set forth in this section, it is intended that the determination as to whether a patent is eligible for an extension can be made solely on the representations contained in the application for extension filed in compliance with § 1.740 of this part. Section 1.750 does, however, provide that further information may be required of applicant by the Commissioner or other officials or the Commissioner or other officials may make such independent inquiries as desired before a final determination is made on whether a patent is eligible for extension. In circumstances where further information is required by the Office, the applicant will be given a time period within which to respond. The failure to file a response within the period provided may result in a final determination adverse to the granting of an extension of patent term unless the response period is extended. An extension of time to respond may be requested under the provisions of 37 CFR 1.136. Under appropriate circumstances, a request for information may contain a statement that the provisions of 37 CFR 1.136(a) are not available. The intentional failure to provide the information requested also will result in a final adverse determination.

A final determination may be made at any time after an application is filed, but no later than when a certificate of extension is issued. Section 1.750 provides that a single request for reconsideration of a final determination may be filed within one month or within such other time period set in the final determination. Section 1.750 also provides that the determination may be delegated to appropriate Patent and Trademark Office officials. A notice will be mailed to applicant containing the determination as to eligibility of the patent for extension and the period of time of the extension of the term, if any. This notice shall constitute the final determination as to eligibility and any period of extension of the patent term. If no response to the notice of final determination is received, the certificate of patent term extension will be issued in due course.

Comment:

It has been suggested that § 1.750 be modified to expressly recognize that the rules being simultaneously promulgated by the FDA (Subpart B) provide for the FDA to give the PTO assistance in making eligibility determinations under the statute

- (1) An identification of the approved product;

and that the PTO may seek such assistance and make such independent inquiries as it deems desirable in determining eligibility.

Reply:

The § 1.750 has been modified by adding, immediately following the term "information", the phrase "or make such independent inquiries as desired".

Comment:

It has been suggested that § 1.750 be modified to permit applicant to respond to a request for information or a notice under this section under the provisions of 37 CFR 1.136(a) upon payment of the appropriate fee. Applicant could thus extend the time for the required response without meeting the requirements of 37 CFR 1.136(b).

Reply:

Sections 1.740(c) and 1.750 have been modified to permit extensions under 37 CFR 1.136. However, if time is of the essence for a particular reason, applicant should anticipate that a requirement made by the PTO would include a statement that extensions under 37 CFR 1.136(a) were not available.

Comment:

It has been suggested that § 1.750 should be modified to provide notice to applicant, 30 days prior to a final determination of eligibility for extension of the identity of all patents or claims eligible for extension in order to permit time to choose which patent to extend and which to withdraw prior to the issuance of the certificate.

Reply:

This proposal has not been adopted since applicant will be given an opportunity to elect in the notice of final determination. See § 1.770.

Comment:

It has been suggested that the identification of a final route of appeal should be set forth as a second paragraph of § 1.750.

Reply:

This proposal has not been adopted since no appeal is provided by the legislation and the PTO does not determine the jurisdiction of the Federal Courts.

Section 1.760 provides for one or more interim extensions for periods of up to one year each where a complete application in compliance with § 1.741 has been filed by an applicant and a final determination pursuant to § 1.750 has not been made on the application. Section § 1.760 provides that the Commissioner may issue an interim extension with or without a request by the applicant. The section also provides that if an interim extension is granted, a notice will be issued to the applicant for the extension of the patent term, the notice would be recorded in the official file of the patent and will be considered as part of the original patent. Notification of the issuance of the interim extension will be published in the Official Gazette of the Patent and Trademark Office. In order for an interim extension to be granted, the application in compliance with § 1.741 must have been filed prior to the expiration date of the patent even though the interim extensions may not actually be granted until after the original expiration date of the patent. In no event will interim extensions be granted under § 1.760 for a period of patent term extension longer than that to which the patent would be eligible.

Comment:

It has been suggested that § 1.760 be clarified as to whether the one year limitation appearing therein applies to each such extension or all such extensions added together could only be for a period of up to one year.

Reply:

The section has been modified by adding the term "each" following the term "year", to make it clear that multiple extensions of up to one year each can be granted under appropriate circumstances.

Comment:

It has been suggested that § 1.760 be modified to require a shorter filing period than the present 3-months prior to expiration of the patent where appropriate.

Reply:

While § 1.760 provides that a request for an interim extension "should" be filed three months prior to the expiration of the patent, this time frame is not mandatory. Note further that the Commissioner may issue such an interim extension without the filing of a request. Any request filed within a shorter period of time will be considered, particularly where it is not possible to

make an earlier request. The provisions of the rule state a highly desirable time frame for making a request but not a mandatory time limit.

Comment:

It has been suggested that § 1.760 be modified to provide that on issuance of an interim extension that the PTO will notify the patent holder, make the decision a part of the official record of the patent and publish the determination in the *Federal Register* and the Official Gazette of the PTO.

Reply:

The section has been modified as suggested.

Comment:

It has been suggested that § 1.760 be modified to provide for a single request for reconsideration of a PTO decision denying a request for an interim extension and that the patent would be granted an interim extension during the time required for reconsideration and any subsequent appeal.

Reply:

While a request for reconsideration which was timely filed would be considered, a determination that an interim extension will not be issued would only occur where the Commissioner is not convinced that the subject patent is eligible for extension under 35 U.S.C. 156. Therefore, an interim extension while applicant sought reconsideration would also be improper.

Section 1.765 defines the duty of disclosure in patent term extension proceedings. Paragraph (a) of § 1.765 specifies the individuals on whom the duty rests and the extent of the duty. Paragraph (b) of § 1.765 requires that disclosures pursuant to the section be accompanied by a copy of each written document being disclosed and specifies to whom the submission is to be made, i.e., the Patent and Trademark Office or the Secretary, as appropriate. Such disclosures would be able to be made through an attorney or agent.

Paragraph (c) of § 1.765 precludes a determination of eligibility for an extension or the issuance of a certificate if clear and convincing evidence of fraud or attempted fraud on the Office or the Secretary is determined to be present or the duty of disclosure is determined to have been violated through bad faith or gross negligence in connection with the patent term extension proceeding. Since the determination as to whether a patent is eligible for extension pursuant to § 1.750 may be made solely on the basis of the representations made in the application for extension, a final determination to refuse a patent term extension because of fraud or a violation of the duty of disclosure is expected to be rare.

Paragraph (d) of § 1.765 precludes submissions to the Patent and Trademark Office by or on behalf of third parties, thereby making patent term extension proceedings in the Office an *ex parte* matter between the patent owner or its agent and the Commissioner. Under paragraph (d) of § 1.765, submissions by third parties to the Office will be returned, or otherwise disposed of, without consideration. Paragraph (d) does not affect submissions authorized by Pub. L. 98-417 to be made to the Secretary during determination of the applicable regulatory review period.

Comment:

It has been suggested that the language of section 1.765(d) is too limited in not permitting information bearing on violations of the duty of disclosure as well as other information relevant to the determination of eligibility of the patent for extension of term to be submitted to the Office by third parties.

Reply:

Although Congress specifically provided for public input into the determination of the length of the regulatory review period, no such provision was made for proceedings before the PTO. Since applicant already has a duty of disclosure to both the PTO and FDA, and Congress expected that it would be an administratively simple proceeding, no input from third parties is considered appropriate.

Comment:

It has been suggested that the definition of the phrase "patent term extension proceeding" should be spelled out.

Reply:

Since the phrase clearly encompasses all phases of the proceeding between the filing of an application for the extension of the term of a patent until either the issuance of an extension certificate or a final denial of eligibility no longer subject to petition, request for reconsideration or appeal, defining the phrase is not deemed a necessary part of the rules.

Comment:

It has been suggested that the phrase "information material to the" in line 12 of § 1.765(a) be changed to material adverse to a in order to avoid unnecessary submission of evidence or information which has no bearing on the proceedings.

Reply:

This suggestion has been adopted since it is not intended to require information or evidence which has either no bearing on the proceeding or is material to a favorable determination by the Office of the Secretary.

Comment:

It has been suggested that § 1.765 is unclear in that it applies the duty of disclosure relating to the patent term extension application to "each attorney or agent who represents the patent owner." There was concern of the effect of this broad duty of disclosure, for example, in a large corporation.

Reply:

The language in this section specifically limits the duty of disclosure to those who are substantively involved on behalf of the patent owner in a patent term extension proceeding.

Comment:

It has been suggested that § 1.765 should be clarified as to whether the duty of disclosure extends to prior art discovered since issuance of the patent.

Reply:

Section 1.765(b) specifically states that an attorney, agent or patent owner has no duty to transmit information which is not material to the determination of entitlement to the extension sought.

Section 1.770 provides for the express withdrawal of an application for extension of the term of a patent if the written declaration of withdrawal signed by the owner of record or its agent is filed in the Office, in duplicate, before a determination is made pursuant to § 1.750. Under § 1.770, an application for extension of the term of a patent may not be expressly withdrawn after the date permitted for response to the final determination pursuant to § 1.750. Section 1.770 also provides that an express withdrawal is effective when acknowledged in writing by the Office and that the filing and acceptance of an express withdrawal does not entitle applicant to a refund of the filing fee for the application for patent term extension or any portion thereof.

Comment:

It has been suggested that § 1.770 be modified to set forth reasons for withdrawal of an application for patent term extension.

Reply:

Section 1.770 permits the withdrawal of an application for patent term extension for any reason prior to the date permitted for response to the final determination pursuant to § 1.750. Since reasons may arise at a later date for the withdrawal of such an application for patent term extension which are not contemplated at this time, it is preferable not to limit the reasons for withdrawal of the application under this section, but to deal with each reason on a case-by-case basis.

Comment:

It has been suggested that § 1.770 be modified to permit the withdrawal of a patent term extension application within the 30 day period for response provided for in § 1.750.

Reply:

This proposal has been adopted.

Section 1.775 provides the procedure for calculating the length of patent term extension for a human drug product.

Paragraph (a) of § 1.775 specifies that the extension will run from the original expiration date of the patent or any earlier date set by terminal disclaimer.

Paragraph (b) of § 1.775 provides that the patent term would be extended by the length of the regulatory review period for the product as determined by the Secretary of Health and Human Services but reduced, where appropriate, by the time periods provided in paragraph (d).

Paragraph (c) defines the length of the regulatory review period which is determined by the Secretary of Health and Human Services.

For a human drug product, the regulatory review period is defined in 35 U.S.C. 156(g)(1)(B) as the sum of:

- (1) The number of days in the period beginning on the date an exemption under section 505 or 507 of the Federal Food,

Drug, and Cosmetic Act became effective for the approved human drug product and ending on the date an application was initially submitted for the drug product under section 505 or 507 above or under section 351 of the Public Health Service Act; and

- (2) The number of days in the period beginning on the date the application was initially submitted for the approved human drug product under section 351 of the Public Health Service Act or subsection (b) of section 505 or 507 of the Federal Food, Drug, and Cosmetic Act and ending on the date the application was approved under the section.

This period is then reduced, where appropriate, by the time periods described in paragraph (d).

Paragraph (d) of § 1.775, defines the term of the patent extension by indicating that

- (1) The time period determined from paragraph (c) would be reduced, where appropriate by

- (i) The number of days in the periods of paragraph (c)(1) and (c)(2) of § 1.775 which were on and before the date on which the patent issued

- (ii) The number of days from paragraphs (c)(1) and (c)(2) of § 1.775 during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Health and Human Services that applicant did not act with due diligence; and

- (iii) One-half the number of days remaining in the period defined by paragraph (c)(1) after the period has been reduced in accordance with paragraphs (d)(1)(i) and (d)(1)(ii) of § 1.775. Half days will be ignored for purposes of subtraction.

- (2) Adding the number of days determined in paragraph (d)(1) to the original term of the patent as shortened by any terminal disclaimer;

- (3) Adding 14 years to the date of approval of the application under section 351 of the Public Health Service Act, or subsection (b) of section 505 or section 507 of the Federal Food, Drug, and Cosmetic Act;

- (4) Comparing the dates for the ends of the periods obtained from (d)(2) and (d)(3) with each other and selecting the earlier date;

- (5) If the original patent issued after Sept. 24, 1984, (i) by adding 5 years to the original expiration date of the patent or any earlier date set by terminal disclaimer; and

- (ii) By comparing the dates obtained in paragraphs (d)(4) and (d)(5)(i) with each other and selecting the earlier date.

- (6) If the original patent was issued before Sept. 24, 1984

- (i) If no request was submitted for an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug, and Cosmetic Act before Sept. 24, 1984, by (A) adding 5 years to the original expiration date of the patent or any earlier date set by terminal disclaimer and (B) by comparing the dates obtained in paragraphs (d)(4) and (d)(6)(i)(A) with each other and selecting the earlier date;

- (ii) If a request was submitted for an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug and Cosmetic Act, before Sept. 24, 1984 and the commercial marketing or use of the product was not approved before Sept. 24, 1984, by (A) adding 2 years to the original expiration date of the patent or any earlier date set by terminal disclaimer, and (B) by comparing the dates obtained in paragraph (d)(4) and (d)(6)(ii)(A) with each other and selecting the earlier date.

Comment:

It has been suggested that the PTO publish a form for the use by patent term extension applicants in the calculation of the extension under §§ 1.775, 1.776 and 1.777.

Reply:

This suggestion has been adopted. Suitable forms will be available from the PTO.

Comment:

It has been suggested that §§ 1.775(d)(1)(ii); 1.776(d)(1)(ii) and 1.777(d)(1)(ii) be modified so as to avoid the double subtraction of any period for which an applicant has been found to have acted without due diligence where such period occurred prior to the issuance of the patent. This double subtraction would occur since both the period of regulatory review prior to the issuance of the patent and the total period of time in which applicant has been determined to have acted without due diligence is subtracted from the length of the regulatory review period on which the calculation of the period of extension of the patent is based.

Reply:

This suggestion has not been adopted since the statute makes clear that any part of the regulatory review period which occurs before the patent was granted should not be counted toward patent term extension, and makes equally clear that any period in which the marketing applicant failed to exercise due diligence, thereby unnecessarily adding to the length of the regulatory review period after the patent issued, should not be considered in determining the length of the extension period.

Comment:

It has been suggested that the language "half days will be ignored for the purposes of subtraction" which appears in §§ 1.775(d)(1)(iii), 1.776(d)(1)(iii) and 1.777(d)(1)(iii) should be clarified.

Reply:

The language in question appears in the sections which describe how the length of extension of the patent term to which an applicant is entitled is to be determined. Specifically the above listed sections are directed to the subtraction of one-half of the number of days in the period defined by subsection (c)(1), of the same section, after that period has been reduced in accordance with subsections (d)(1)(i) and (d)(1)(ii) from the regulatory review period as previously determined. Since one-half of an odd number of days will result in a fraction or one-half day, the above language, which appears in all three sections, indicates that the one half-day will be ignored and thus will not be subtracted from the regulatory review period.

Section 1.776 provides the procedure for calculating the patent term extension for a food additive or color additive. The paragraphs correspond to those of § 1.775.

Section 1.777 provides the procedure for calculating the patent term extension for a medical device. The paragraphs correspond to those of § 1.775 with the major difference being in the calculation of the regulatory review period.

Comment:

It has been suggested that subsection (c) of § 1.777 be modified in order for the definition of the "date a clinical investigation on humans involving the device was begun" to be consistent with the definition provided by FDA (21 CFR 60.22(c)(1)).

Reply:

This suggestion has not been adopted since the PTO has used the language of the statute and has left to FDA the determination of the length of the regulatory review period.

Section 1.780 specifies that once a determination is made pursuant to § 1.750 that a patent is eligible for extension, a certificate of extension, under seal, will be issued to the applicant for the extension of the term of the patent. Section 1.780 also provides that the certificate will be recorded in the official file of the patent and will be considered as part of the original patent. Section 1.780 also provides for notification of the issuance of the certificate of extension to be published in the *Official Gazette* of the Patent and Trademark Office.

No certificate or extension will be issued if the term of a patent cannot be extended, even though the patent is otherwise determined to be eligible for extension. In such situations the final determination made pursuant to § 1.750 would indicate that no certificate will issue.

Comment:

It has been suggested that § 1.780 be modified to clarify the situations contemplated where a patent might be eligible for extension but the patent cannot be extended. If the only possible exceptions are those of §§ 1.765 and 1.785, the rule should so state this fact.

Reply:

It is difficult to contemplate all the situations that might arise, but situations have occurred where the patent and approved product meet all the eligibility requirements of section 720, but the term of the patent cannot be extended because the patent issued less than three years before the product was approved by FDA.

Section 1.785 specifies the procedures to be followed where multiple applications are filed for extension of the same patent or of different patents for the same regulatory review period for a product. Pub. L. 98-417 and § 1.785 provide that only one patent may be extended for a regulatory review period for any product. Under § 1.785, if more than one application for extension of the same patent is filed, the certificate of extension of the term of the patent, if appropriate, would be issued based

upon the first filed application for extension of patent term. If applications are filed by a single applicant for extensions of the terms of different patents based upon the same regulatory review period for a product, the certificate of extension will be issued on the application for extension of the patent having the earliest date of issuance of those for which extension is sought unless all but a single application for the extension of one patent term is voluntarily withdrawn by applicant.

If applications are filed by different applicants for extension of the terms of different patents based upon the same regulatory review period for a product, the certificate of extension will be issued on the application of the holder of the regulatory approval granted with respect to the regulatory review period. If the holder of the regulatory approval granted with respect to the regulatory review period is not an applicant, the certificate of extension will issue to the applicant for extension which holds express and exclusive authorization from the holder of the regulatory approval to rely upon the regulatory review period as the basis for the application for extension. If the holder of the regulatory approval is not an applicant and has not given a prior express and exclusive authorization to seek extension based on the regulatory review period, the certificate of extension will be issued on the application for extension of the patent having the earliest date of issuance of those for which extension is sought.

An application for extension will be considered complete and formal whether it contains the identification of the holder of the regulatory approval granted with respect to the regulatory review period or express and exclusive authorization from the holder of the regulatory approval to rely on the regulatory review period for extension. A request may be made of any applicant to supply such information regarding the authorization on which applicant relies from the holder of the regulatory approval on which the application for extension is based. The failure to provide such information within the period for response shall be regarded as conclusively establishing that the applicant is not the holder of the regulatory approval and is not authorized by the holder of the regulatory approval to seek the extension being sought.

Environmental, energy, and other considerations: The rule change will not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities because patented drugs are generally not commercialized by small entities (Regulatory Flexibility Act, Pub. L. 96-354).

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The information collection requirement contained in this proposed rule has been submitted by OMB for review under section 3504(h) of the Paperwork Reduction Act.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interest, Courts, Inventions and patents, Lawyers.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and Pub. L. 98-417, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

PART 1—[AMENDED]

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.1 is amended by adding a new paragraph (f) before the note to read as follows:

§ 1.1 All communications to be addressed to the Commissioner of Patents and Trademarks.

(f) All applications for extension of patent term and any communications relating thereto intended for the Patent and Trademark Office should be additionally marked "Box Patent Ext." When appropriate, the communication should also be marked to the attention of a particular individual, as where a decision has been rendered.

3. Section 1.20 is amended by adding a new paragraph (n) to read as follows:

§ 1.20 Post-issuance fees.

(n) For filing an application for extension of the term of a patent (§ 1.740) 550.00

4. A new Subpart F—Extension of Patent Term, consisting of §§ 1.710 through 1.785 is added to read as follows:

Subpart F—Extension of Patent Term

Sec.

- 1.710 Patents subject to extension of the patent term.
- 1.720 Conditions for extension of patent term.
- 1.730 Applicant for extension of patent term.
- 1.740 Application for extension of patent term.
- 1.741 Filing date of application.
- 1.750 Determination of eligibility for extension of patent term.
- 1.760 Interim extension of patent term.
- 1.765 Duty of disclosure in patent term extension proceedings.
- 1.770 Express withdrawal of application for extension of patent term.
- 1.775 Calculation of patent term extension for a human drug product.
- 1.776 Calculation of patent term extension for a food additive or color additive.
- 1.777 Calculation of patent term extension for a medical device.
- 1.780 Certificate of extension of patent term.
- 1.785 Multiple applications for extension of term of the same patent or of different patents for the same regulatory review period for a product.

Subpart F—Extension of Patent Term

Authority: 35 U.S.C. 6 and 156.

§ 1.710 Patents subject to extension of the patent term.

(a) A patent is eligible for extension of the patent term if the patent claims a product as defined in paragraph (b) of this section, or a method of using such a product, or a method of manufacturing such a product, and meets all other conditions and requirements of this subpart.

(b) The term "product" referred to in paragraph (a) of this section means—

(1) A human drug product which means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or

ester of the active ingredient, as a single entity or in combination with another active ingredient; or

(2) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

§ 1.720 Conditions for extension of patent term.

The term of a patent may be extended if:

(a) The patent claims a product or a method of using or manufacturing a product as defined in § 1.710;

(b) The term of the patent has never been previously extended except for any interim extension issued pursuant to § 1.760;

(c) An application for extension is submitted in compliance with § 1.740;

(d) The product has been subject to a regulatory review period as defined in 35 U.S.C. 156(g) before its commercial marketing or use;

(e) The product has received permission for commercial marketing or use and

(i) The permission for the commercial marketing or use of the product is the first received permission for commercial marketing or use under the provision of law under which the applicable regulatory review occurred, or

(ii) In the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use is the first received permission for the commercial marketing or use of a product manufactured under the process claimed in the patent;

(f) The application is submitted within the sixty day period beginning on the date the product first received permission for commercial marketing or use under the provisions of law under which the applicable regulatory review period occurred, or in the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the application for extension is submitted within the sixty day period beginning on the date of the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent;

(g) The term of the patent has not expired before the submission of an application in compliance with § 1.741; and

(h) No other patent term has been extended for the same regulatory review period for the product.

§ 1.730 Applicant for extension of patent term .

Any application for extension of a patent term must be submitted by the owner of record of the patent or its agent and must comply with the requirements of § 1.740.

§ 1.740 Application for extension of patent term .

(a) An application for extension of patent term must be made in writing to the Commissioner of Patents and Trademarks. A formal application for the extension of patent term shall include:

(1) A complete identification of the approved product as by appropriate chemical and generic name, physical structure or characteristics;

(2) A complete identification of the Federal statute including the applicable provision of law under which the regulatory review occurred;

(3) An identification of the date on which the product received permission for commercial marketing or use under the provision of law under which the applicable regulatory review period occurred;

(4) In the case of a human drug product, an identification of each active ingredient in the product and as to each active ingredient, a statement that it has not been previously approved for commercial marketing or use under the Federal Food, Drug and Cosmetic Act, or a statement of when the active ingredient was approved for commercial marketing or use (either alone or in combination with other active ingredients) and the provision of law under which it was approved.

(5) A statement that the application is being submitted within the sixty day period permitted for submission pursuant to §

1.720(f) and an identification of the date of the last day on which the application could be submitted;

(6) A complete identification of the patent for which an extension is being sought by the name of the inventor, the patent number, the date of issue, and the date of expiration;

(7) A copy of the patent for which an extension is being sought, including the entire specification (including claims) and drawings;

(8) A copy of any disclaimer, certificate of correction, receipt of maintenance fee payment, or reexamination certificate issued in the patent;

(9) A statement beginning on a new page that the patent claims the approved product or a method of using or manufacturing the approved product, and a showing which lists each applicable patent claim and demonstrates the manner in which each applicable patent claim reads on the approved product or a method of using or manufacturing the approved product;

(10) A statement beginning on a new page of the relevant dates and information pursuant to 35 U.S.C. 156(g) in order to enable the Secretary of Health and Human Services to determine the applicable regulatory review period as follows:

(i) For a patent that claims a human drug product, the effective date of the investigational new drug (IND) application and the IND number, the date on which a new drug application (NDA) was initially submitted and the NDA number, and the date on which the NDA was approved;

(ii) For a patent that claims a food or color additive, the date a major health or environmental effects test on the additive was initiated and any available substantiation of that date; the date on which a petition for product approval under the Federal Food, Drug and Cosmetic Act was initially submitted and the petition number; and the date on which the FDA published a Federal Register notice listing the additive for use;

(iii) For a patent that claims a medical device, the effective date of the investigational device exemption (IDE) and the IDE number, if applicable, or the date on which the applicant began the first clinical investigation involving the device if no IDE was submitted and any available substantiation of that date; the date on which an application for product approval under section 515 of the Federal Food, Drug and Cosmetic Act was initially submitted and the number of the application; and the date on which the application was approved.

(11) A brief description beginning on a new page of the significant activities undertaken by the marketing applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities;

(12) A statement beginning on a new page that in the opinion of the applicant the patent is eligible for the extension and a statement as to the length of extension claimed, including how the length of extension was determined;

(13) A statement that applicant acknowledges a duty to disclose to the Commissioner of Patents and Trademarks and the Secretary of Health and Human Services any information which is material to the determination of entitlement to the extension sought (see § 1.765);

(14) The prescribed fee for receiving and acting upon the application for extension (see § 1.20(n));

(15) The name, address, and telephone number of the person to whom inquiries and correspondence relating to the application for patent term extension are to be directed;

(16) A duplicate of the application papers, certified as such; and

(17) An oath or declaration as set forth in paragraph (b) of this section.

(b) Any oath or declaration submitted in compliance with paragraph (a) of this section must be signed by the owner of record of the patent or its agent, specifically identify the papers and the patent for which an extension is sought and aver that the person signing the oath or declaration:

(1) Is the owner, an official of a corporate owner authorized to obligate the corporation, or a patent attorney or agent authorized to practice before the Patent and Trademark Office and who has general authority from the owner to act on behalf of the owner in patent matters.

(2) Has reviewed and understands the contents of the application being submitted pursuant to this section;

(3) Believes the patent is subject to extension pursuant to § 1.710;

(4) Believes an extension of the length claimed is justified under 35 U.S.C. 156 and the applicable regulations; and

(5) Believes the patent for which the extension is being sought meets the conditions for extension of the term of a patent as set forth in § 1.720.

(c) If any application for extension of patent term submitted pursuant to this section is held to be informal, applicant may seek to have that holding reviewed by filing a petition with the required fee, as necessary, pursuant to § 1.181, § 1.182 or § 1.183, as appropriate, within such time as may be set in the notice that the application has been held to be informal, or if no time is set, within one month of the date on which the application was held informal. The time periods set forth herein are subject to the provisions of 37 CFR 1.136.

§ 1.741 Filing date of application

(a) The filing date of an application for extension of patent term is the date on which a complete application is received in the Patent and Trademark Office or filed pursuant to the "Certificate of Mailing" provisions of 37 CFR 1.8 or "Express Mail" provisions of 37 CFR 1.10.

A complete application shall include:

(1) An identification of the approved product;

(2) An identification of the Federal statute under which regulatory review occurred;

(3) An identification of the patent for which an extension is being sought;

(4) An identification of each claim of the patent which claims the approved product or a method of using or manufacturing the approved product;

(5) Sufficient information to enable the Commissioner to determine under 35 U.S.C. 156 subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services to determine the period of the extension; and

(6) A brief description of the activities undertaken by the marketing applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities.

(b) If any application submitted pursuant to this section is held to be incomplete, applicant may seek to have this holding reviewed under § 1.181.

§ 1.750 Determination of eligibility for extension of patent term

A determination as to whether a patent is eligible for extension may be made by the Commissioner solely on the basis of the representations contained in the application for extension filed in compliance with § 1.740. This determination may be delegated to appropriate Patent and Trademark Office officials and may be made at any time before the certificate of extension is issued. The Commissioner or other appropriate officials may require from applicant further information or make such independent inquiries as desired before a final determination is made on whether a patent is eligible for extension. A notice will be mailed to applicant containing the determination as to the eligibility of the patent for extension and the period of time of the extension, if any. This notice shall constitute the final determination as to the eligibility and any period of extension of the patent. A single request for reconsideration of a final determination may be made if filed by the applicant within such time as may be set in the notice of final determination or, if no time is set, within one month from the date of the final determination. The time periods set forth herein are subject to the provisions of 37 CFR 1.136.

§ 1.760 Interim extension of patent term

An applicant who has filed a formal application for extension in compliance with § 1.740 may request one or more interim

extensions for periods of up to one year each pending a final determination on the application pursuant to § 1.750. Any such request should be filed at least three months prior to the expiration date of the patent. The Commissioner may issue interim extensions, without a request by the applicant, for periods of up to one year each until a final determination is made. The patent owner or agent will be notified when an interim extension is granted and notice of the extension will be published in the Official Gazette of the Patent and Trademark Office. The notice will be recorded in the official file of the patent and will be considered as part of the original patent. In no event will the interim extensions granted under this section be longer than the maximum period of extension to which the applicant would be eligible.

§ 1.765 Duty of disclosure in patent term extension proceedings.

(a) A duty of candor and good faith toward the Patent and Trademark Office and the Secretary of Health and Human Services rests on the patent owner or its agent, on each attorney or agent who represents the patent owner and on every other individual who is substantively involved on behalf of the patent owner in a patent term extension proceeding. All such individuals who are aware, or become aware, of material information adverse to a determination of entitlement to the extension sought, which has not been previously made of record in the patent term extension proceeding must bring such information to the attention of the Office or the Secretary, as appropriate, in accordance with paragraph (b) of this section, as soon as it is practical to do so after the individual becomes aware of the information. Information is material where there is a substantial likelihood that the Office or the Secretary would consider it important in determinations to be made in the patent term extension proceeding.

(b) Disclosures pursuant to this section must be accompanied by a copy of each written document which is being disclosed. The disclosure must be made to the Office or the Secretary, as appropriate, unless the disclosure is material to determinations to be made by both the Office and the Secretary, in which case duplicate copies, certified as such, must be filed in the Office and with the Secretary. Disclosures pursuant to this section may be made to the Office or the Secretary, as appropriate, through an attorney or agent having responsibility on behalf of the patent owner or its agent for the patent term extension proceeding or through a patent owner acting on his or her own behalf. Disclosure to such an attorney, agent or patent owner shall satisfy the duty of any other individual. Such an attorney, agent or patent owner has no duty to transmit information which is not material to the determination of entitlement to the extension sought.

(c) No patent will be determined eligible for extension and no extension will be issued if it is determined that fraud on the Office or the Secretary was practiced or attempted or the duty of disclosure was violated through bad faith or gross negligence in connection with the patent term extension proceeding. If it is established by clear and convincing evidence that any fraud was practiced or attempted on the Office or the Secretary in connection with the patent term extension proceeding or that there was any violation of the duty of disclosure through bad faith or gross negligence in connection with the patent term extension proceeding, a final determination will be made pursuant to § 1.750 that the patent is not eligible for extension.

(d) The duty of disclosure pursuant to this section rests on the individuals identified in paragraph (a) of this section and no submission on behalf of third parties, in the form of protests or otherwise, will be considered by the Office. Any such submissions by third parties to the Office will be returned to the party making the submission, or otherwise disposed of, without consideration by the Office.

§ 1.770 Express withdrawal of application for extension of patent term.

An application for extension of patent term may be expressly withdrawn before a determination is made pursuant to § 1.750 by filing in the Office, in duplicate, a written declaration of withdrawal signed by the owner of record of the patent or its agent. An application may not be expressly withdrawn after the

date permitted for response to the final determination on the application. An express withdrawal pursuant to this section is effective when acknowledged in writing by the Office. The filing of an express withdrawal pursuant to this section and its acceptance by the Office does not entitle applicant to a refund of the filing fee (§ 1.20(n)) or any portion thereof.

§ 1.775 Calculation of patent term extension for a human drug product.

(a) If a determination is made pursuant to § 1.750 that a patent for a human drug product is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or any earlier date set by terminal disclaimer (§ 1.321).

(b) The term of the patent for a human drug product will be extended by the length of the regulatory review period for the product as determined by the Secretary of Health and Human Services, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.

(c) The length of the regulatory review period for a human drug product will be determined by the Secretary of Health and Human Services. Under 35 U.S.C. 156(g)(1)(B), it is the sum of—

(1) The number of days in the period beginning on the date an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug, and Cosmetic Act became effective for the approved human drug product and ending on the date an application was initially submitted for such drug product under those sections or under section 351 of the Public Health Service Act; and

(2) The number of days in the period beginning on the date the application was initially submitted for the approved human drug product under section 351 of the Public Health Service Act, subsection (b) of section 505 or section 507 of the Federal Food, Drug, and Cosmetic Act and ending on the date such application was approved under such section.

(d) The term of the patent as extended for a human drug product will be determined by—

(1) Subtracting from the number of days determined by the Secretary of Health and Human Services to be in the regulatory review period:

(i) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section which were on and before the date on which the patent issued;

(ii) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Health and Human Services that applicant did not act with due diligence;

(iii) One-half the number of days remaining in the period defined by paragraph (c)(1) of this section after that period is reduced in accordance with paragraphs (d)(1)(i) and (ii) of this section; half days will be ignored for purposes of subtraction;

(2) By adding the number of days determined in paragraph (d)(1) of this section to the original term of the patent as shortened by any terminal disclaimer;

(3) By adding 14 years to the date of approval of the application under section 351 of the Public Health Service Act, or subsection (b) of section 505 or section 507 of the Federal Food, Drug, and Cosmetic Act;

(4) By comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) of this section with each other and selecting the earlier date;

(5) If the original patent was issued after Sept. 24, 1984,

(i) By adding 5 years to the original expiration date of the patent or any earlier date set by terminal disclaimer; and

(ii) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) of this section with each other and selecting the earlier date;

(6) If the original patent was issued before Sept. 24, 1984, and

(i) If no request was submitted for an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug, and Cosmetic Act before Sept. 24, 1984, by-

(A) Adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) of this section with each other and selecting the earlier date; or

(ii) If a request was submitted for an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug, and Cosmetic Act before Sept. 24, 1984 and the commercial marketing or use of the product was not approved before Sept. 24, 1984, by-

(A) Adding 2 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) of this section with each other and selecting the earlier date.

§ 1.776 Calculation of patent term extension for a food additive or color additive.

(a) If a determination is made pursuant to § 1.750 that a patent for a food additive or color additive is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or earlier date set by terminal disclaimer (§ 1.321).

(b) The term of the patent for a food additive or color additive will be extended by the length of the regulatory review period for the product as determined by the Secretary of Health and Human Services, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.

(c) The length of the regulatory review period for a food additive or color additive will be determined by the Secretary of Health and Human Services. Under 35 U.S.C. 156(g)(2)(B), it is the sum of-

(1) The number of days in the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the approved product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product; and

(2) The number of days in the period beginning on the date a petition was initially submitted with respect to the approved product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

(d) The term of the patent as extended for a food additive or color additive will be determined by

(1) Subtracting from the number of days determined by the Secretary of Health and Human Services to be in the regulatory review period:

(i) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section which were on and before the date on which the patent issued;

(ii) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Health and Human Services that applicant did not act with due diligence;

(iii) The number of days equal to one-half the number of days remaining in the period defined by paragraph (c)(1) of this section after that period is reduced in accordance with paragraphs (d)(1)(i) and (ii) of this section; half days will be ignored for purposes of subtraction;

(2) By adding the number of days determined in paragraph (d)(1) of this section to the original term of the patent as shortened by any terminal disclaimer;

(3) By adding 14 years to the date a regulation for use of the product became effective or, if objections were filed to such regulation, to the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, to the date such proceedings were finally resolved and commercial marketing was permitted;

(4) By comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) of this section with each other and selecting the earlier date;

(5) If the original patent was issued after Sept. 24, 1984,

(i) By adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(ii) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) of this section with each other and selecting the earlier date;

(6) If the original patent was issued before Sept. 24, 1984, and

(i) If no major health or environmental effects test was initiated and no petition for a regulation or application for registration was submitted before Sept. 24, 1984, by

(A) Adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) of this section with each other and selecting the earlier date; or

(ii) If a major health or environmental effects test was initiated or a petition for a regulation or application for registration was submitted by Sept. 24, 1984, and the commercial marketing or use of the product was not approved before Sept. 24, 1984, by

(A) Adding 2 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) of this section with each other and selecting the earlier date.

§ 1.777 Calculation of patent term extension for a medical device.

(a) If a determination is made pursuant to § 1.750 that a patent for a medical device is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or earlier date as set by terminal disclaimer (§ 1.321).

(b) The term of the patent for a medical device will be extended by the length of the regulatory review period for the product as determined by the Secretary of Health and Human Services, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.

(c) The length of the regulatory review period for a medical device will be determined by the Secretary of Health and Human Services. Under 35 U.S.C. 156(g) (3)(B), it is the sum of

(1) The number of days in the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515 of the Federal Food, Drug, and Cosmetic Act; and

(2) The number of days in the period beginning on the date the application was initially submitted with respect to the device under section 515 of the Federal Food, Drug, and Cosmetic Act, and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) of the Act and ending on the date the protocol was declared completed under section 515(f)(6) of the Act.

(d) The term of the patent as extended for a medical device will be determined by—

(1) Subtracting from the number of days determined by the Secretary of Health and Human Services to be in the regulatory review period pursuant to paragraph (c) of this section:

(i) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section which were on and before the date on which the patent issued;

(ii) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Health and Human Services that applicant did not act with due diligence;

(iii) One-half the number of days remaining in the period defined by paragraph (c)(1) of this section after that period is reduced in accordance with paragraphs (d)(1)(i) and (ii) of this section; half days will be ignored for purposes of subtraction;

(2) By adding the number of days determined in paragraph (d)(1) of this section to the original term of the patent as shortened by any terminal disclaimer;

(3) By adding 14 years to the date of approval of the application under section 515 of the Federal Food, Drug, and Cosmetic Act or the date a product development protocol was declared completed under section 515(f)(6) of the Act;

(4) By comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) of this section with each other and selecting the earlier date;

(5) If the original patent was issued after Sept. 24, 1984, (i) By adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and

(ii) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) of this section with each other and selecting the earlier date;

(6) If the original patent was issued before Sept. 24, 1984, and

(i) If no clinical investigation on humans involving the device was begun or no product development protocol was submitted under section 515(f)(5) of the Federal Food, Drug, and Cosmetic Act before Sept. 24, 1984, by

(A) Adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) of this section with each other and selecting the earlier date; or

(ii) If a clinical investigation on humans involving the device was begun or a product development protocol was submitted under section 515(f)(5) of the Federal Food, Drug, and Cosmetic Act before Sept. 24, 1984 and the commercial marketing or use of the product was not approved before Sept. 24, 1984, by

(A) Adding 2 years to the original expiration date of the patent or earlier date set by terminal disclaimer, and

(B) By comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) of this section with each other and selecting the earlier date.

§ 1.780 Certificate of extension of patent term.

If a determination is made pursuant to § 1.750 that a patent is eligible for extension and that the term of the patent is to be extended, a certificate of extension, under seal, will be issued to the applicant for the extension of the patent term. Such certificate will be recorded in the official file of the patent and will be considered as part of the original patent. Notification of the issuance of the certificate of extension will be published in the Official Gazette of the Patent and Trademark Office. No certificate of extension will be issued if the term of the patent cannot be extended, even though the patent is otherwise determined to be eligible for extension. In such situations the final determination made pursuant to § 1.750 will indicate that no certificate will issue.

§ 1.785 Multiple applications for extension of term of the same patent or of different patents for the same regulatory review period for a product.

(a) Only one patent may be extended for a regulatory review period for any product (§ 1.720(g)). If more than one application

for extension of the same patent is filed, the certificate of extension of patent term, if appropriate, will be issued based upon the first filed application for extension.

(b) If more than one application for extension is filed by a single applicant which seeks the extension of the term of two or more patents based upon the same regulatory review period, and the applications are otherwise eligible for extension pursuant to the requirement of this subpart, the certificate of extension of patent term, if appropriate, will be issued upon the application for extension of the patent having the earliest date of issuance of those patents for which extension is sought.

(c) If an application for extension is filed which seeks the extension of the term of a patent based upon the same regulatory review period as that relied upon in one or more applications for extension pursuant to the requirements of this subpart, the certificate of extension of patent term will be issued on the application only if—

(1) The applicant for extension is the holder of the regulatory approval granted with respect to the regulatory review period, or

(2) The holder of the regulatory approval granted with respect to the regulatory review period is not an applicant and the applicant for extension holds express and exclusive authorization from the holder of the regulatory approval to rely upon the regulatory review period as the basis for the application for extension, or

(3) The holder of the regulatory approval granted with respect to the regulatory review period is not an applicant and no applicant for extension holds an express and exclusive authorization from the holder of the regulatory approval to rely upon the regulatory review period as the basis for the application for extension and the application is for extension of the patent having the earliest date of issuance of those patents for which extension is sought based upon the same regulatory review period.

(d) An application for extension shall be considered complete and formal regardless of whether it contains the identification of the holder of the regulatory approval granted with respect to the regulatory review period or express and exclusive authorization from the holder of the regulatory approval to rely upon the regulatory review period for extension. When an application contains such information, or is amended to contain such information, it will be considered in determining whether an application is eligible for an extension under this section. A request may be made of any applicant to supply such information within a non-extendable period of not less than one (1) month whenever multiple applications for extension of more than one patent are received and rely upon the same regulatory review period. Failure to provide such information within the period for response set shall be regarded as conclusively establishing that the applicant is not the holder of the regulatory approval and is not expressly and exclusively authorized by the holder of the regulatory approval to seek the extension being sought.

(e) Determinations made under this section shall be included in the notice of final determination of eligibility for extension of the patent term pursuant to § 1.750 and shall be regarded as part of that determination.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

Jan. 9, 1987.

[FR Doc. 87-6045 Filed 3-23-87; 8:45 am]
BILLING CODE 3510-16-M

[1079 OG 52]

(140) Guidelines for Extension of Patent Term for New Animal Drugs or Veterinary Biological Products Under 35 U.S.C. 156 as Amended

This notice establishes initial guidelines for patent owners seeking extensions of patent terms for new animal drugs or

veterinary biological products pursuant to 35 U.S.C. § 156 as amended. See Pub. L. No. 100-670 enacted Nov. 16, 1988. These guidelines are effective until further notice. This notice does not affect the procedures in place for extensions of patent terms for human drug products, food additives, color additives, or medical devices as described in 52 Federal Register 9386 (Mar. 24, 1987) and 1079 Official Gazette 52 (June 23, 1987); this notice relates solely to procedures for extensions of patent terms for new animal drugs and veterinary biological products. In time, the pertinent regulations (37 C.F.R. Part 1, Subpart F) will be changed to encompass all items for which patent term extension is authorized.

A patent owner or its agent should use the guidelines in the various sections below in determining whether a patent is subject to, and meets the conditions for, extension of its term for a new animal drug or a veterinary biological product. If so, the patent owner or its agent should also use the guidelines below in preparing and filing an application for extension of the patent term. If any application for extension of the term of a patent for a new animal drug or a veterinary biological product is filed in accordance with 35 U.S.C. § 156 as amended before the date on which this notice is published in the Official Gazette and the application is not in compliance with the requirements of this notice, applicant will be notified of the deficiencies in the application and will be given a period of time within which to correct those deficiencies.

Guidelines

§ A. Patents subject to extension of the patent term

- (a) Any patent that claims a product as defined in paragraph (b) of this section, or a method of using such a product, or a method of manufacturing such a product, is now subject to being extended under 35 U.S.C. § 156 as amended.
- (b) The term "product" referred to in paragraph (a) of this section means a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug and Cosmetic Act and the Virus-Serum-Toxin Act) that is not primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes involving site specific genetic manipulation techniques, including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

§ B. Conditions for extension of a term of a patent

The term of a patent may be extended if:

- (a) the patent claims a product or a method of using or manufacturing a product as defined in § A of this notice;
- (b) the term of the patent has never been previously extended;
- (c) an application for extension is submitted pursuant to § D of this notice;
- (d) the product has been subject to a regulatory review period as defined in 35 U.S.C. § 1.56(g) and by the Secretary of Health and Human Services or the Secretary of Agriculture, as appropriate, before its commercial marketing or use;
- (e) the product has received permission for commercial marketing or use and the application is submitted within the sixty day period beginning on the date the product first received permission for commercial marketing or use under the provision of law under which the applicable regulatory review period occurred;
- (f) the term of the patent has not expired before the submission of the application pursuant to § D of this notice; and
- (g) no other patent has been extended for the same regulatory review period for the product.

§ C. Applicant for extension of patent term

Any application for extension of a patent term must be submitted by the owner of record of the patent or its agent as defined in 37 C.F.R. § 1.740(b)(1) and must comply with the requirements of § D of this notice.

§ D. Application for extension of the term of a patent

- (a) An application for extension of the term of a patent must be made in writing to the Commissioner of Patents and Trademarks. The filing date of an application for an extension of the term of a patent is the date on which the complete application for extension and a duplicate of the papers, certified as such, are received in the Patent and Trademark Office or filed pursuant to the provisions of 37 C.F.R. §§ 1.8 or 1.10.
- (b) A complete application for the extension of the term of a patent comprises:
 - (1) a complete identification of the product as by appropriate chemical and generic name, physical structure or characteristics;
 - (2) a complete identification of the Federal statute including the applicable provision of law under which the regulatory review occurred;
 - (3) an identification of the date on which the product received permission for commercial marketing or use under the provision of law under which the applicable regulatory review period occurred;
 - (4) an identification of each active ingredient in the product and as to each active ingredient, a statement that it has not been previously approved for commercial marketing or use under the Federal Food, Drug and Cosmetic Act, the Public Health Services Act, or a statement of when the active ingredient was approved for commercial marketing or use (either alone or in combination with other active ingredients), the use for which it was approved, and the provision of law under which it was approved;
 - (5) a statement that the application is being submitted within the sixty day period permitted for submission pursuant to 37 C.F.R. § 1.720(f) and an identification of the last day on which the application may be submitted;
 - (6) a complete identification of the patent for which an extension is being sought by the name of the inventor(s), the patent number, the date of issue, and the date of expiration;
 - (7) a copy of the patent for which an extension is being sought, including the entire specification (including claims) and drawings;
 - (8) a copy of any disclaimer, certificate of correction, receipt of maintenance fee payment, or reexamination certificate issued in the patent;
 - (9) a statement beginning on a new page that the patent claims the product or a method of using or manufacturing the product, and a showing that lists each applicable patent claim and demonstrates the manner in which each applicable patent claim reads on the product or a method of using or manufacturing the product;
 - (10) a statement beginning on a new page of the relevant dates and information pursuant to 35 U.S.C. § 156(g) to enable the Secretary of Health and Human Services or the Secretary of Agriculture, as appropriate, to determine the applicable regulatory review period as follows:
 - (i) for a patent claiming an animal drug product, (a) the date a major health or environmental effects test on the drug was initiated and any available substantiation of that date or the date of an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act became effective for such animal drug product, (b) the date on which a new drug application was initially submitted, (c) the number of the application, and (d) the date on which the application was approved; and
 - (ii) for a patent claiming a veterinary biological product, (a) the date the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act became effective, (b) the date an application for a license was submitted under the Virus-Serum-Toxin Act, and (c) the date the license issued;
 - (11) a brief description beginning on a new page of the significant activities undertaken by the marketing

applicant during the applicable regulatory review period with respect to the product and the significant dates applicable to such activities;

- (12) a statement beginning on a new page that in the opinion of the applicant the patent is eligible for the extension and a statement as to the length of the extension claimed, including how the length of the extension was determined;
- (13) a statement that applicant acknowledges a duty to disclose to the Commissioner of Patents and Trademarks and the Secretary of Health and Human Services or the Secretary of Agriculture, as appropriate, any information that is material to the determination of entitlement to the extension sought;
- (14) the prescribed fee for receiving and acting upon the application for extension (see § F of this notice) and an oath or declaration as set forth in paragraph (c) of this section; and
- (15) the name, address, and telephone number of the person to whom inquiries and correspondence relating to the application for patent term extension are to be directed.

- (c) Any application for extension of the term of a patent submitted pursuant to paragraphs (a) and (b) of this section must include an oath or declaration signed by the owner of record of the patent or its agent that specifically identifies the application papers and the patent for which an extension is sought and avers that the person signing the oath or declaration:

- (1) is the owner, an official of a corporate owner authorized to obligate the corporation, or a patent attorney or agent authorized to practice before the Patent and Trademark Office and who has general authority from the owner to act on behalf of the owner in patent matters;
- (2) has reviewed and understands the contents of the application being submitted pursuant to this section;
- (3) believes the patent is subject to extension pursuant to § A of this notice;
- (4) believes an extension of the length claimed is justified under 35 U.S.C. § 156 as amended; and
- (5) believes the patent for which the extension is being sought meets the conditions for extension of the term of a patent as set forth in § B of this notice.

- (d) If any application for extension of term of the patent submitted pursuant to this section is held to be incomplete, applicant may seek to have that holding reviewed by filing a petition pursuant to 37 C.F.R. § 1.182 within such time as may be set, or if no time is set, within one month of the date on which the application was held incomplete. Compliance with the provisions of these guidelines that are not required by statute may be waived in appropriate circumstances. 37 C.F.R. § 1.183.

§ E. Interim extension of the term of a patent

An applicant who has filed an application for extension pursuant to § D of this notice may request one or more interim extensions for periods of up to one year pending a final determination on the application. Any such request should be filed at least three months prior to the expiration date of the patent. The Commissioner may issue interim extensions for periods up to one year until a final determination is made without a request by the applicant. In no event will the interim extensions granted under this section be longer than the maximum period of extension to which the applicant would be eligible.

§ F. Fee for receiving and acting on an application for extension of the term of a patent

Pursuant to 35 U.S.C. § 156(h), the Commissioner has determined that a fee as set forth in 37 C.F.R. § 1.20(n) (presently \$550.00) is appropriate to cover the costs to the Patent and Trademark Office of receiving and acting upon the applications for extension of the term of a patent filed pursuant to 35 U.S.C. § 156 as amended. The fee should accompany the application

when filed. If a fee in a different amount is adopted in Title 37 of the Code of Federal Regulations, applicant will be refunded any excess of the fee or will be required to submit any deficiency in the fee.

§ G. Address for application for extension of the term of a patent and communications relating thereto

All applications for extension of the term of a patent and any communications relating thereto intended for the Patent and Trademark Office should be addressed to Box Patent Ext., Commissioner of Patents and Trademarks, Washington, D.C. 20231.

§ H. For further information, contact:

Charles E. Van Horn by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Summary

The initial guidelines set forth above are considered to be appropriate and authorized by 35 U.S.C. 156 as amended. They will provide appropriate guidance to patent owners and their agents pending appropriate changes that will be made in Title 37 of the Code of Federal Regulations.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

Nov. 29, 1988

[1097 OG 63]

(141) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Part 1
[Docket No. 90114-9135]
RIN: 0651-AA42
Patent Term Extension for Animal Drug Products

Agency: Patent and Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent cases directed to the extension of patent term. These amendments implement the patent term restoration provisions of Pub. L. No. 100-670, 102 Stat. 3971 (November 16, 1988) which permits owners of patents relating to new animal drugs or veterinary biological products that are not biotechnology-generated to apply for extension of the terms of such patents in the same manner as owners of patents relating to human drugs, medical devices, food additives, or color additives are permitted to do under 35 U.S.C. 156.

Effective Date: August 22, 1989

For Further Information Contact: Charles E. Van Horn by telephone at [703] 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Pub. L. No. 100-670 has made it possible for owners of patents directed to new animal drugs and to veterinary biological products that are not biotechnology-generated to apply for extension of the term of such patents in a manner similar to the owners of patents directed to human drugs, food additives, color additives, and medical devices. A new animal drug or veterinary biological product is biotechnology-generated if it is primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes including site specific genetic manipulation techniques. The primary purpose of this rule change is to revise the present regulations contained in 37 CFR Part 1, Subpart F, to include the two additional categories of subject matter that can now form the basis of patent term extension. These regulations set forth procedures that govern the content and submission of applications for the extension of a patent term to the PTO, and procedures governing the extension determination and issuance of patent term extension certificates by the PTO.

Initial guidelines directed to the preparation and filing of applications for patent term extension as authorized by Pub. L. No. 100-670 were published as "Guidelines For Extension of Patent Term For New Animal Drugs or Veterinary Biological Products Under 35 U.S.C. 156 as Amended" in the Official Gazette, 1097 *Official Gazette* 63 (December 27, 1988). A notice of proposed rulemaking was published in the *Federal Register* on March 7, 1989, at 54 FR 9507 and in the Official Gazette, 1100 *Official Gazette* 128 (March 28, 1989). No oral hearing was conducted on these proposed rules. One written comment was received.

The only written comment received was directed to the proposed amendment to § 1.710(a). The proposed amendment indicated that a patent is eligible for extension of the patent term if the patent claims a product either alone or in combination with other ingredients that read on a composition that received permission for commercial marketing or use. The proposed modification was objected to because of the implication that patent term extension would not be available for composition patents where the claimed compositions do not read on the composition (new drug) approved by the FDA. Such an interpretation, it was argued, would unfairly and narrowly interpret the statute. The comment noted that where a marketing applicant seeks approval for multiple dosage forms or compositions of a new drug, the right to obtain patent term extension is triggered at the time the first new drug application is approved. In a typical situation, an injectable dosage form to be used for acute indications will require a lesser development time and be approved more rapidly than the oral dosage form of the same active ingredient intended for chronic administration. It was represented in the comment that justification for the drug development program might hinge on the expectation of an extension of an oral composition patent. If there were patents on both the injectable dosage form and the oral administration form containing the same active ingredient, which were mutually exclusive for the purposes of this illustration, the new drug holder, it is argued, should have a choice of which patent term to extend based on the first approval of a new chemical entity (NCE) drug. Finally, the comment suggested that the proposed amendment to § 1.710(a) with respect to composition patents stands in marked contrast to the situation which applies in the case of method of use patents. It is alleged, in the comment, that the rule in effect allows an extension of a method of use patent whenever the claimed method of use embraces the use of the active ingredient. According to the comment, where an NCE drug is first approved for the treatment of arthritis, a patent limited to an analgesic use of the NCE drug may be extended. (Note the requirement in § 1.740(a)(4) to identify the use for which the product was approved.)

These remarks made in this comment raise a substantive issue relating to the eligibility of patents for patent term extension under 35 U.S.C. 156 that is not addressed in the rules. The exercise of the Commissioner's rulemaking authority under 35 U.S.C. 6 and 156 can neither enlarge nor reduce the scope of eligibility of a patent for patent term extension under 35 U.S.C. 156. Secondly, the proposed amendment to § 1.710(a) is clearly couched in terms which are permissive without either explicitly or implicitly excluding other possibilities. The proposed amendment was made in response to many inquiries received over the years since enactment of 35 USC 156 as to whether a formulation or composition claim in a patent could form a basis for eligibility for patent term extension. Finally, the PTO has a long-standing policy of not addressing an issue in advance of receiving an application presenting the issue for determination. The issue of whether a patent is eligible for patent term extension that could not be enforced in either the original or extended term against the approved formulation or use that allegedly would give rise to eligibility has not been addressed yet by the PTO.

PTO experience to date did involve consideration of two applications that were filed based on approval of the human drug product OCUFEN Ophthalmic Solution, which contains the active ingredient Flurbiprofen [2-(2-fluoro-4-biphenyl) propionic acid]. Relevant claims from the two patents that were the subject of the applications for patent term extension were as follows:

I. Patent 3,755,427 (issued August 28, 1973)

Claim 2. 2-(2-fluoro-4-biphenyl) propionic acid.

II. Patent 3,793,457 (issued February 19, 1974)

Claim 1. A therapeutic composition useful in the treatment of pain, inflammation, and pyretic conditions which comprises a compound selected from the group consisting of 2-(2-fluoro-4-biphenyl) propionic acid, 2-(2'-fluoro-4-biphenyl) propionic acid, and 2-(2,2'-difluoro-4-biphenyl) propionic acid in association with a pharmaceutically acceptable excipient the amount of said compound present in said composition being an amount effective against at least one of said conditions.

Claim 2 of the earlier issued patent is directed to the active ingredient per se, whereas claim 1 of Patent No. 3,793,457 is directed to a formulation which can contain Flurbiprofen in an amount which was effective in the treatment of pain, inflammation, and pyretic conditions.

However, since the approved indication for Ocufen was for the inhibition of intraoperative miosis, it was not immediately apparent to the PTO whether the '457 patent claimed the product within the meaning of 35 U.S.C. 156. Our view was that the 1984 Act was intended to restore to those patent owners a portion of the enforceable term of an appropriate patent of their choice which was lost due to Government required regulatory review for the product covered by the patent prior to the commercial marketing of the claimed product or the use thereof. If the patent could not be enforced against an infringer who was making, using, or selling an ophthalmic solution containing Flurbiprofen for the treatment of intraoperative miosis, it was questioned how the restoration of the lost patent term due to the regulatory process for the approved product is appropriate under the statute.

In this case, the applicant for patent term extension submitted evidence that Flurbiprofen, in an amount of 0.0004% to 0.1%, has anti-inflammatory activity in the eye when topically administered. The approved label showed that Ocufen contained 0.03% of the active ingredient and stated that the product is "a topical nonsteroidal anti-inflammatory product for ophthalmic use." The specification of the '457 patent indicated that useful compositions preferably contain 0.1-90% by weight of a compound of the invention. Thus, the dosage of the active ingredient for the indicated use clearly overlapped the effective dosages specified in the functional language of claim 1 of the '457 patent. On the basis of this evidence, the PTO concluded that the later issued patent claimed the product. As both patents were determined to be eligible for patent term extension, applicant was permitted to choose the single patent term to be extended. 35 U.S.C. 156(c)(4).

Discussion of Specific Rules

Section 1.710(a) specifically sets forth the existing policy and practice relating to eligibility of patents claiming a composition or formulation that includes the active ingredient. A patent is considered to claim the product at least in those situations where the patent claims the active ingredient per se, or claims a composition or formulation which contains the active ingredient(s) and reads on the composition or formulation approved for commercial marketing or use.

Section 1.710(b) revises the definition of human drug product in paragraph (b)(1) to make the definition conform to Pub. L. No. 100-670. A new paragraph (b)(2) is added to expand the definition of "product" in § 1.710(a) to include a new animal drug and a veterinary biological product, but not one that is primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes including site specific genetic manipulation techniques. Present paragraph (b)(2) is redesignated as paragraph (b)(3). It should be understood that the discussion here of new animal drugs and veterinary biological products is limited to the animal drugs and products defined in Pub. L. No. 100-670.

Paragraph (e)(2) of section 1.720 is revised to indicate that the conditions given therein concern a patent for a product other than one recited in section 1.710(b)(2), due to the exclusion of biotechnology-generated new animal drugs and veterinary biological products in Pub. L. No. 100-670. A new paragraph (e)(3) is added to Section 1.720 directed to the provision in 35 U.S.C. 156(a)(5)(C), which permits the term of a patent directed to a new animal drug or veterinary biological product to be extended based on a second or subsequent approval of the active ingre-

dient provided all the following conditions exist: (a) the patent claims the drug or product, (b) the drug or product is not covered by the claims in any other patent that has been extended ("covered by the claims" means that the drug or product would infringe a claim in the other patent), (c) the patent term was not extended on the basis of the regulatory review period for use in non-food-producing animals, and (d) the second or subsequent approval was the first permitted commercial marketing or use of the drug or product for administration to a food-producing animal. A new portion is added to paragraph (f) directed to the case where eligibility is to be based on 35 U.S.C. 156 (a)(5)(C). In this latter case, the application must be filed within 60 days of the first approval for administration to a food-producing animal.

Paragraph (a)(4) of § 1.740(a) is amended to (1) eliminate "human" as a modifier for "product," (2) add the Public Health Service Act and the Virus-Serum-Toxin Act to the list of appropriate statutes, and (3) add a requirement to indicate the use for which the product was approved. The first two amendments are necessary to comply with terms of 35 U.S.C. 156 as amended, and the third amendment is necessary to a determination of eligibility where, for example, the application is based on a second or subsequent approval of an active ingredient, but the first approval for administration to a food-producing animal. Paragraph (a)(9) is amended to eliminate the requirement to set forth the statement, beginning on a new page, that the patent for which patent term extension is sought claims the approved product or a method of using or making same, and the required showing listing each applicable claim of the patent and demonstrating the manner in which each applicable claim reads on the approved product or a method of using or making same. This change is made because the information required by this paragraph is within the province of PTO review and there is no need to have such information recited in a readily segregable section of the application. Paragraph (a)(10) is amended to indicate that, as appropriate, the Secretary of Health and Human Services or the Secretary of Agriculture will determine the applicable regulatory review period. Paragraph (a)(10)(i) is amended to recite that a Product License Application is a type of application that may be recited in an application for term extension of a patent claiming a human biological product. New paragraphs (a)(10)(ii) and (a)(10)(iii) are added to set forth the type of tests or applications that are to be considered for determination of the applicable regulatory review period for patents claiming a new animal drug or a veterinary biological product. Present paragraphs (a)(10)(ii) and (a)(10)(iii) are redesignated as paragraphs (a)(10)(iv) and (a)(10)(v), respectively. Paragraph (a)(10)(v) has been amended to reflect that approval of a medical device could be made through the use of a product development protocol. Paragraph (a)(13) is amended to indicate that the duty to disclose any information material to the determination of entitlement to the extension sought applies also to the Secretary of Agriculture where the regulatory review was conducted by the USDA.

Section 1.741(a)(2) is amended to acknowledge that regulatory review may take place under more than one Federal statute and that each appropriate statute should be listed. This amendment is intended to apply to a situation where a human biological product is tested under an investigational new drug (IND) application pursuant to the Federal Food, Drug, and Cosmetic Act, but is approved under the Public Health Service Act. The amendment is not intended to include a situation where approval is sought for use of a particular medical device with a specific drug product which may require approval under more than a single provision of law. The product that forms the basis of an application for patent term extension must be either a medical device or a drug product; it cannot be a combination of those separate products. See the file history of U.S. Patent No. 4,428,744 for an example of the application of this principle.

Section 1.741(a)(5) is amended to recognize that the Secretary of Agriculture may determine the length of the regulatory review period where the regulatory review of the product takes place at the USDA. The section is further modified to point out that a determination of the length of the regulatory review period is made under 35 U.S.C. 156(g), and not the length of the patent term extension that is made by the PTO under 35 U.S.C. 156(c).

Section 1.765(a) is amended to recite that a duty of candor and good faith is owed to the Secretary of Agriculture in patent term extension proceedings wherein the USDA is involved.

The title of § 1.775 is amended to reflect that the section is directed to calculating patent term extension for human drug, antibiotic drug, and human biological products. Paragraphs (a), (b), (c), and (d) are amended to indicate that the determinations are being made for any of a human drug, an antibiotic drug, or a human biological product. Sections (c)(1) and (c)(2) are amended to refer merely to a "product" rather than to a "human drug product" or a "drug product" in order to make the sections clearer.

Section 1.778 is added to set forth the manner of calculation of the patent term extension for an animal drug product.

Paragraph (a) specifies that the extension will run from the original expiration date of the patent as shortened by any terminal disclaimer.

Paragraph (b) of § 1.778 provides that the patent term will be extended by the regulatory review period for the product but reduced, where appropriate, by the time periods provided in paragraph (d).

Paragraph (c) defines how the regulatory review period is to be calculated. The period is determined by counting

(1) the number of days in the period beginning on the earlier of the dates a major health or environmental effects test was initiated on the drug or an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act became effective for the drug and ending on the date an application was initially submitted for the drug under section 512 of the Federal Food, Drug, and Cosmetic Act; and

(2) the number of days in the period beginning on the date the application was initially submitted for the approved drug under subsection (b) of section 512 of the Federal Food, Drug, and Cosmetic Act and ending on the date the application was approved under the section.

The added total of the days determined in subparagraphs (c)(1) and (c)(2) constitutes the regulatory review period, which is then reduced, where appropriate, by the time periods described in paragraph (d).

Paragraph (d) of § 1.778 modifies the term of the patent extension by indicating that

(1) the time period determined from paragraph (c) would be reduced, where appropriate, by—

(i) the number of days in the period of paragraphs (c)(1) and (c)(2) of section 1.778 that were before the date on which the patent issued;

(ii) the number of days in paragraphs (c)(1) and (c)(2) of section 1.778 during which it is determined under 35 U.S.C. 156(d)(2)(B) that applicant did not act with due diligence; and

(iii) the number of days equal to one-half the number of days remaining in paragraph (c)(1) after the paragraph (c)(1) determination has been reduced in accordance with paragraphs (d)(1)(i) and (d)(1)(ii) of section 1.778 (half days to be ignored for subtraction purposes);

(2) adding the number of days determined in paragraph (d)(1) to the original expiration date of the patent as shortened by any terminal disclaimer;

(3) adding 14 years to the date of approval of the application under section 512 of the Federal Food, Drug, and Cosmetic Act;

(4) comparing the dates obtained from paragraphs (d)(2) and (d)(3) with each other and selecting the earlier date;

(5) if the original patent issued after November 16, 1988, by—

(i) adding 5 years to the original expiration date of the patent as shortened by any terminal disclaimer; and

(ii) comparing the dates obtained from paragraphs (d)(4) and (d)(5)(i) with each other and selecting the earlier date;

(6) if the original patent issued before November 16, 1988, and

(i) if no major health or environmental effects test on the drug was initiated and no request was submitted for an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act before November 16, 1988, by—

(A) adding 5 years to the original expiration date of the patent as shortened by any terminal disclaimer; and

(B) comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) with each other and selecting the earlier date; or

(ii) if a major health or environmental effects test was initiated or a request for an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act was submitted before November 16, 1988, and the application for commercial marketing or use of the drug was not approved before November 16, 1988, by—

- (A) adding 3 years to the original expiration date of the patent as shortened by any terminal disclaimer; and
- (B) comparing the dates obtained from paragraphs (d)(4) and (d)(6)(ii)(A) with each other and selecting the earlier date.

Section 1.779 is added to set forth the manner of calculation of the patent term extension for a veterinary biological product.

Paragraph (a) specifies that the extension runs from the original expiration date of the patent as shortened by any terminal disclaimer.

Paragraph (b) of § 1.779 provides that the patent term would be extended by the regulatory review period for the product but reduced, where appropriate, by the time periods provided in paragraph (d).

Paragraph (c) defines how the regulatory review period is to be calculated. The period is determined by counting

- (1) the number of days in the period beginning on the date the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act became effective and ending on the date an application for a license was submitted under the Virus-Serum-Toxin Act; and
- (2) the number of days in the period beginning on the date an application for a license was initially submitted under the Virus-Serum-Toxin Act and ending on the date a license was issued.

The added total of the days determined in paragraphs (c)(1) and (c)(2) constitutes the regulatory review period, which is then reduced, where appropriate, by the time periods described in paragraph (d).

Paragraph (d) of § 1.779 defines the term of the patent extension by indicating that

- (1) the time period determined from paragraph (c) would be reduced, where appropriate, by—
 - (i) the number of days in the periods of paragraphs (c)(1) and (c)(2) that were on and before the date on which the patent issued;
 - (ii) the number of days in the periods of paragraphs (c)(1) and (c)(2) during which it is determined under 35 U.S.C. 156(d)(2)(B) that the applicant did not act with due diligence; and
 - (iii) one-half the number of days remaining in the period defined by paragraph (c)(1) after that period is reduced in accordance with paragraphs (d)(1)(i) and (d)(1)(ii) (half days being ignored for purposes of subtraction);
- (2) adding the number of days determined in paragraph (d)(1) to the original term of the patent as shortened by any terminal disclaimer;
- (3) adding 14 years to the date of the issuance of a license under the Virus-Serum-Toxin Act;
- (4) comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) and selecting the earlier date;
- (5) if the patent was issued after November 16, 1988, by—
 - (i) adding 5 years to the original expiration date of the patent as shortened by any terminal disclaimer; and
 - (ii) comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) with each other and selecting the earlier date;
- (6) if the original patent issued before November 16, 1988, and

(i) if no request for the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act was submitted before November 16, 1988, by—

- (A) adding 5 years to the original expiration date of the patent as shortened by any terminal disclaimer; and
- (B) comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) with each other and selecting the earlier date; or

(ii) if a request for the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act was submitted before November 16, 1988, and the commercial

marketing or use of the product was not approved before November 16, 1988, by—

- (A) adding 3 years to the original expiration date of the patent as shortened by any terminal disclaimer; and
- (B) comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) and selecting the earlier date.

Section 1.785(b) is amended to indicate that, in those instances where an applicant is seeking patent term extension for two or more patents based upon the same regulatory review period, the applicant will have the right to elect which patent is to have its term extended. In the absence of an election by applicant, the Commissioner will extend that patent having the earliest date of issuance.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. No. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities [Regulatory Flexibility Act, Pub. L. 96-354]. The rule change setting forth procedures allowing owners of patents directed to new animal drugs and veterinary biological products to apply for extension of patent term would not be expected to result in any adverse economic impact on small entities because patented drugs are generally not commercialized by small entities.

The PTO has determined that this rule change is not a major rule under Executive Order 12291. The annual effect to the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The PTO has also determined that this notice has no federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The rule change contains a collection of information subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.* which has been approved by the Office of Management and Budget under control number 0651-0020. Preparation of an application for patent term extension is estimated to take approximately sixty hours, including time for reviewing instructions, gathering and maintaining data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Office of Management and Organization, Patent and Trademark Office, Washington, D.C. 20231, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington D.C. 20503. (Paperwork Reduction Project 0651-0020) No comments regarding this burden estimate or any other aspect of this collection of information were received in response to the notice of proposed rulemaking.

List of Subjects in 37 CFR Part 1. Subpart F

Administrative practice and procedure, Authority delegations (Government agencies), Conflict of interest, Courts, Inventions and patents, Lawyers.

For the reasons given in the preamble and pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 156, the PTO is amending Title 37 of the Code of Federal Regulations as set forth below.

Subpart F—Extension of Patent Term

1. The authority citation for 37 CFR Part 1, Subpart F, continues to read as follows:

Authority: 35 U.S.C. 6 and 156.

2. Section 1.710 is revised to read as follows:

§ 1.710 Patents subject to extension of the patent term.

- (a) A patent is eligible for extension of the patent term if the patent claims a product as defined in paragraph (b) of this section, either alone or in combination with other ingredients that read on a composition that received permission for commercial marketing or use, or a method of using such a product, or a method of manufacturing such a product, and meets all other conditions and requirements of this subpart.
- (b) The term "product" referred to in paragraph (a) of this section means—

- (1) The active ingredient of a new human drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient; or
- (2) The active ingredient of a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Virus-Serum-Toxin Act) that is not primarily manufactured using recombinant DNA, recombinant RNA, hybridoma technology, or other processes including site specific genetic manipulation techniques, including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient; or
- (3) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

3. Section 1.720 is amended by revising paragraphs (e)(2) and (f) and adding paragraph (e)(3) to read as follows:

§1.720 Conditions for extension of patent term.

- (e) The product has received permission for commercial marketing or use and—

(2) In the case of a patent other than one directed to subject matter within § 1.710(b)(2) claiming a method of manufacturing the product that primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use is the first received permission for the commercial marketing or use of a product manufactured under the process claimed in the patent, or

(3) In the case of a patent claiming a new animal drug or a veterinary biological product that is not covered by the claims in any other patent that has been extended, and has received permission for the commercial marketing or use in non-food-producing animals and in food-producing animals, and was not extended on the basis of the regulatory review period for use in non-food-producing animals, the permission for the commercial marketing or use of the drug or product after the regulatory review period for use in food-producing animals is the first permitted commercial marketing or use of the drug or product for administration to a food-producing animal.

(f) The application is submitted within the sixty-day period beginning on the date the product first received permission for commercial marketing or use under the provisions of law under which the applicable regulatory review period occurred; or in the case of a patent claiming a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the application for extension is submitted within the sixty-day period beginning on the date of the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent; or in the case of a patent that claims a new animal drug or a veterinary biological product that is

not covered by the claims in any other patent that has been extended, and said drug or product has received permission for the commercial marketing or use in non-food-producing animals, the application for extension is submitted within the sixty-day period beginning on the date of the first permitted commercial marketing or use of the drug or product for administration to a food-producing animal;

4. Section 1.740 is amended by revising paragraphs (a)(4), (a)(9), (a)(10)(i) and (a)(13), adding paragraphs (a)(10)(ii) and (a)(10)(iii), and redesignating present paragraphs (a)(10)(ii) and (a)(10)(iii) as (a)(10)(iv) and (a)(10)(v), respectively, to read as follows:

§ 1.740 Application for extension of patent term.

- (a) An application for extension of patent term must be made in writing to the Commissioner of Patents and Trademarks. A formal application for the extension of patent term shall include:

(4) In the case of a drug product, an identification of each active ingredient in the product and as to each active ingredient, a statement that it has not been previously approved for commercial marketing or use under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, or the Virus-Serum-Toxin Act, or a statement of when the active ingredient was approved for commercial marketing or use (either alone or in combination with other active ingredients), the use for which it was approved, and the provision of law under which it was approved.

(9) A statement that the patent claims the approved product or a method of using or manufacturing the approved product, and a showing which lists each applicable patent claim and demonstrates the manner in which each applicable patent claim reads on the approved product or method of using or manufacturing the approved product;

(10) A statement, beginning on a new page, of the relevant dates and information pursuant to 35 U.S.C. 156(g) in order to enable the Secretary of Health and Human Services or the Secretary of Agriculture, as appropriate, to determine the applicable regulatory review period as follows:

(i) For a patent claiming a human drug, antibiotic, or human biological product, the effective date of the investigational new drug (IND) application and the IND number; the date on which a new drug application (NDA) or a Product License Application (PLA) was initially submitted and the NDA or PLA number and the date on which the NDA was approved or the Product License issued;

(ii) For a patent claiming a new animal drug, the date a major health or environmental effects test on the drug was initiated and any available substantiation of the date or the date of an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act became effective for such animal drug; the date on which a new animal drug application (NADA) was initially submitted and the NADA number; and the date on which the NADA was approved;

(iii) For a patent claiming a veterinary biological product, the date the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act became effective; the date an application for a license was submitted under the Virus-Serum-Toxin Act; and the date the license issued;

(iv) For a patent claiming a food or color additive, the date a major health or environmental effects test on the additive was initiated and any available substantiation of that date; the date on which a petition for product approval under the Federal Food, Drug, and Cosmetic Act was initially submitted and the petition number; and the date on which the FDA published the Federal Register notice listing the additive for use;

(v) For a patent claiming a medical device, the effective date of the investigational device exemption (IDE) and the IDE number, if applicable, or the date on which the applicant began

the first clinical investigation involving the device if no IDE was submitted and any available substantiation of that date; the date on which the application for product approval or notice of completion of a product development protocol under section 515 of the Federal Food, Drug, and Cosmetic Act was initially submitted and the number of the application or protocol; and the date on which the application was approved or the protocol declared to be completed.

* * * * *

(13) A statement that applicant acknowledges a duty to disclose to the Commissioner of Patents and Trademarks and the Secretary of Health and Human Services or the Secretary of Agriculture any information which is material to the determination of entitlement to the extension sought (see § 1.765);

* * * * *

5. Section 1.741 is amended by revising paragraphs (a)(2) and (a)(5) to read as follows:

§ 1.741 Filing date of the application.

(a) * * *

(2) An identification of each Federal statute under which regulatory review occurred.

* * * * *

(5) Sufficient information to enable the Commissioner to determine under 35 U.S.C. 156 subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services or the Secretary of Agriculture to determine the length of the regulatory review period; and

* * * * *

6. Section 1.765 is amended by revising paragraph (a) to read as follows:

§ 1.765 Duty of Disclosure in patent term extension proceedings.

(a) A duty of candor and good faith toward the Patent and Trademark Office and the Secretary of Health and Human Services or the Secretary of Agriculture rests on the patent owner or its agent, on each attorney or agent who represents the patent owner and on every other individual who is substantively involved on behalf of the patent owner in a patent term extension proceeding. All such individuals who are aware, or become aware, of material information adverse to a determination of entitlement to the extension sought, which has not been previously made of record in the patent term extension proceeding must bring such information to the attention of the Office or the Secretary, as appropriate, in accordance with paragraph (b) of this section, as soon as it is practical to do so after the individual becomes aware of the information. Information is material where there is a substantial likelihood that the Office or the Secretary would consider it important in determinations to be made in the patent term extension proceeding.

* * * * *

7. Section 1.775 is amended by revising the title and paragraphs (a), (b), (c), and (d) introductory text to read as follows:

§ 1.775 Calculation of patent term extension for a human drug, antibiotic drug or human biological product.

(a) If a determination is made pursuant to § 1.750 that a patent for a human drug, antibiotic drug or human biological product is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or any earlier date set by terminal disclaimer (§ 1.321).

(b) The term of the patent for a human drug, antibiotic drug or human biological product will be extended by the length of the regulatory review period for the product as determined by the Secretary of Health and Human Services, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.

(c) The length of the regulatory review period for a human drug, antibiotic drug or human biological product will be determined by the Secretary of Health and Human Services. Under 35 U.S.C. 156(g)(1)(B), it is the sum of—

(1) The number of days in the period beginning on the date an exemption under subsection (i) of section 505 or subsection (d) of section 507 of the Federal Food, Drug, and Cosmetic Act became effective for the approved product and ending on the date the application was initially submitted for such product under those sections or under section 351 of the Public Health Service Act; and

(2) The number of days in the period beginning on the date the application was initially submitted for the approved product under section 351 of the Public Health Service Act, subsection (b) of section 505 or section 507 of the Federal Food, Drug, and Cosmetic Act and ending on the date such application was approved under such section.

(d) The term of the patent as extended for a human drug, antibiotic drug or human biological product will be determined by—

* * * * *

8. Section 1.778 is added to read as follows:

§ 1.778 Calculation of patent term extension for an animal drug product.

(a) If a determination is made pursuant to § 1.750 that a patent for an animal drug is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or any earlier date set by terminal disclaimer (§ 1.321).

(b) The term of the patent for an animal drug will be extended by the length of the regulatory review period for the drug as determined by the Secretary of Health and Human Services, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.

(c) The length of the regulatory review period for an animal drug will be determined by the Secretary of Health and Human Services. Under 35 U.S.C. 156(g)(4)(B), it is the sum of—

(1) The number of days in the period beginning on the earlier of the date a major health or environmental effects test on the drug was initiated or the date an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act became effective for the approved animal drug and ending on the date an application was initially submitted for such animal drug under section 512 of the Federal Food, Drug, and Cosmetic Act; and

(2) The number of days in the period beginning on the date the application was initially submitted for the approved animal drug under subsection (b) of section 512 of the Federal Food, Drug, and Cosmetic Act and ending on the date such application was approved under such section.

(d) The term of the patent as extended for an animal drug will be determined by—

(1) Subtracting from the number of days determined by the Secretary of Health and Human Services to be in the regulatory review period:

(i) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section that were on and before the date on which the patent issued;

(ii) The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Health and Human Services that applicant did not act with due diligence;

(iii) One-half the number of days remaining in the period defined by paragraph (c)(1) of this section after that period is reduced in accordance with paragraphs (d)(1)(i) and (ii) of this section; half days will be ignored for purposes of subtraction;

- (2) By adding the number of days determined in paragraph (d)(1) of this section to the original term of the patent as shortened by any terminal disclaimer;
- (3) By adding 14 years to the date of approval of the application under section 512 of the Federal Food, Drug, and Cosmetic Act;
- (4) By comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) of this section with each other and selecting the earlier date;
- (5) If the original patent was issued after November 16, 1988, by—
- Adding 5 years to the original expiration date of the patent or any earlier date set by terminal disclaimer; and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) of this section with each other and selecting the earlier date;
- (6) If the original patent was issued before November 16, 1988, and
- If no major health or environmental effects test on the drug was initiated and no request was submitted for an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act before November 16, 1988, by—
- Adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) of this section with each other and selecting the earlier date; or
- If a major health or environmental effects test was initiated or a request for an exemption under subsection (j) of section 512 of the Federal Food, Drug, and Cosmetic Act was submitted before November 16, 1988, and the application for commercial marketing or use of the animal drug was not approved before November 16, 1988, by—
- Adding 3 years to the original expiration date of the patent or earlier date set by terminal disclaimer, and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) of this section with each other and selecting the earlier date.

9. Section 1.779 is added to read as follows:

§ 1.779 Calculation of patent term extension for a veterinary biological product.

- (a) If a determination is made pursuant to § 1.750 that a patent for a veterinary biological product is eligible for extension, the term shall be extended by the time as calculated in days in the manner indicated by this section. The patent term extension will run from the original expiration date of the patent or any earlier date set by terminal disclaimer (§ 1.321).
- (b) The term of the patent for a veterinary biological product will be extended by the length of the regulatory review period for the product as determined by the Secretary of Agriculture, reduced as appropriate pursuant to paragraphs (d)(1) through (d)(6) of this section.
- (c) The length of the regulatory review period for a veterinary biological product will be determined by the Secretary of Agriculture. Under 35 U.S.C. 156(g)(5)(B), it is the sum of—
- The number of days in the period beginning on the date the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act became effective and ending on the date an application for a license was submitted under the Virus-Serum-Toxin Act; and
 - The number of days in the period beginning on the date an application for a license was initially submitted for approval under the Virus-Serum-Toxin Act and ending on the date such license was issued.
- (d) The term of the patent as extended for a veterinary biological product will be determined by—
- Subtracting from the number of days determined by the Secretary of Agriculture to be in the regulatory review period:

- The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section that were on and before the date on which the patent issued;
 - The number of days in the periods of paragraphs (c)(1) and (c)(2) of this section during which it is determined under 35 U.S.C. 156(d)(2)(B) by the Secretary of Agriculture that applicant did not act with due diligence;
 - One-half the number of days remaining in the period defined by paragraph (c)(1) of this section after that period is reduced in accordance with paragraphs (d)(1)(i) and (ii) of this section; half days will be ignored for purposes of subtraction;
- (2) By adding the number of days determined in paragraph (d)(1) of this section to the original term of the patent as shortened by any terminal disclaimer;
- (3) By adding 14 years to the date of the issuance of a license under the Virus-Serum-Toxin Act;
- (4) By comparing the dates for the ends of the periods obtained pursuant to paragraphs (d)(2) and (d)(3) of this section with each other and selecting the earlier date;
- (5) If the original patent was issued after November 16, 1988, by—
- Adding 5 years to the original expiration date of the patent or any earlier date set by terminal disclaimer; and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(5)(i) of this section with each other and selecting the earlier date;
- (6) If the original patent was issued before November 16, 1988, and
- If no request for the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act was submitted before November 16, 1988, by—
- Adding 5 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(i)(A) of this section with each other and selecting the earlier date; or
- If a request for the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act was submitted before November 16, 1988, and the commercial marketing or use of the product was not approved before November 16, 1988, by—
- Adding 3 years to the original expiration date of the patent or earlier date set by terminal disclaimer; and
 - Comparing the dates obtained pursuant to paragraphs (d)(4) and (d)(6)(ii)(A) of this section with each other and selecting the earlier date.

10. Section 1.785 is amended to revise paragraph (b) to read as follows:

§ 1.785 Multiple applications for extension of terms of the same patent or of different patents for the same regulatory review period for a product.

* * * * *

- (b) If more than one application for extension is filed by a single applicant which seeks the extension of the term of two or more patents based upon the same regulatory review period, and the applications are otherwise eligible for extension pursuant to the requirement of this subpart, in the absence of an election by applicant, the certificate of extension of patent term, if appropriate, will be issued upon the application for extension of the patent term having the earliest date of issuance of those patents for which extension is sought.

May 31, 1989

DONALD J. QUIGG
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[1105 OG 21]

(142) **Department of Commerce
Patent and Trademark Office
37 CFR Part 150
[Docket No. 71038-8108]**

**Requests for Presidential Proclamations
Under the Semiconductor Chip Protection Act of 1984,
17 U.S.C. 902(a)(2)**

Agency: Patent and Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is adding a new Subchapter C, Part 150 to its rules to implement the Presidential proclamation provisions of the Semiconductor Chip Protection Act of 1984, 17 U.S.C. 902(a)(2). The rules establish procedures for the evaluation of requests by foreign governments for the issuance of Presidential proclamations granting protection in the United States to mask works of foreign origin. The rules also permit the Commissioner of Patents and Trademarks independently to initiate an evaluation. The effect of the rules will be to establish a regime of protection for foreign mask works in the United States, provided mask works of U.S. origin are adequately protected in the country requesting a Presidential proclamation.

Effective Date: August 1, 1988

For Further Information Contact: Michael K. Kirk, Assistant Commissioner for External Affairs, by telephone at (703)557-3065, or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Box 4, Washington, D.C. 20231.

Supplementary Information: The Semiconductor Chip Protection Act of 1984 (SCPA) established a new form of intellectual property protection for mask works that are fixed in semiconductor chips. Mask works are defined as a "series of related images, however fixed or encoded," that represent the three-dimensional pattern in the layers of a semiconductor chip. Thus, the subject matter of protection under the SCPA are the layout designs of semiconductor chips, known in some countries as "integrated circuit layout designs" or as "semiconductor topographies." The SCPA provides a ten-year term of protection for original mask works measured from their date of registration or first commercial exploitation anywhere in the world. To maintain protection, mask works must be registered in the United States Copyright Office within two years of first commercial exploitation.

Protection for foreign mask works may be granted under both section 902 and section 914 of the SCPA. Section 902 sets out three different ways that foreign mask works may become eligible for protection in the United States. First, on the date the work is registered or is first commercially exploited anywhere in the world, the mask work is protectible if its owner is a national, domiciliary or sovereign authority of a foreign nation that is a party to a treaty that provides protection of mask works and to which the United States is also a party, or if a stateless person, wherever domiciled. Second, foreign mask works may be protected when they are first commercially exploited in the United States. The third way, set forth in section 902(a)(2), is where the foreign mask work comes within the scope of a Presidential proclamation. The President may issue a proclamation upon finding that a foreign nation extends to mask works of owners who are U.S. nationals or domiciliaries, protection (1) on substantially the same basis as that on which the foreign nation extends protection to mask works of its own nationals and domiciliaries and mask works first commercially exploited in that nation, or (2) on substantially the same basis as provided in the SCPA. Pursuant to Executive Order 12504, 50 FR 4849 (Feb. 4, 1985), requests for issuance of Presidential proclamations are to be presented to the President by the Secretary of Commerce.

Section 914 was included in the SCPA as a transitional provision, intended by Congress to encourage other countries to pass laws extending protection to this new form of intellectual property. Once laws were in place, it was reasoned, permanent protection for foreign mask works could be conferred under section 902 or through a multilateral treaty that extended coverage to mask works. Section 914 gives the Secretary of Commerce authority to issue orders extending interim protection to foreign mask work owners upon the satisfaction of certain conditions. First, the Secretary must find that the foreign nation

is making good faith efforts and reasonable progress toward entering into a treaty with the United States, or toward enacting legislation that will protect U.S. mask works on the same basis as domestic mask works, or at a level similar to that provided under the SCPA. Second, the Secretary must determine that nationals, domiciliaries and sovereign authorities of the foreign nation are not engaged in the misappropriation, unauthorized distribution, or unauthorized commercial exploitation of mask works. Finally, the Secretary must determine that issuance of an interim order would promote the purposes of the SCPA and international comity with respect to the protection of mask works.

By Amendment 1 to Department Organization Order 10-14, issued Dec. 3, 1984, the Secretary of Commerce delegated to the Assistant Secretary and Commissioner of Patents and Trademarks the authority under section 914 to make pertinent findings and to issue orders for the interim protection of foreign mask works. Amendment 2 to Department Organization Order 10-14, issued Sept. 28, 1987, expanded the earlier delegation to include responsibility for prescribing regulations for the presentation to the President of requests for issuance of proclamations under section 902.

The Commissioner has issued orders granting interim protection under section 914 for mask works produced in Australia, Belgium, Canada, Denmark, Finland, France, the Federal Republic of Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. All of the interim protection orders were recently extended until May 31, 1989. See *Extension of Previously-Granted Interim Orders Under the Semiconductor Chip Protection Act of 1984*, 53 FR 16308 (May 6, 1988).

This proceeding was initiated by a Notice of Proposed Rule-making published at 53 FR 5588-90 (Feb. 25, 1988). The notice set forth proposed regulations for the submission and evaluation of requests that the Secretary of Commerce recommend the issuance or revocation of a Presidential proclamation granting U.S. protection to foreign mask works under section 902(a)(2) of the SCPA. Comments on the proposed rules were received from the Commission of the European Communities and the U.S. Semiconductor Industry Association.

Discussion of Specific Rules

Section 150.1 of the new rules sets forth relevant definitions. Section 150.2 specifies the conditions under which an evaluation of recommending the issuance, revision, suspension or revocation of a section 902 proclamation will be initiated by the Commissioner. Section 150.2(a) provides that the Commissioner must initiate an evaluation of the propriety of recommending the issuance of a section 902 proclamation upon receipt of a request from a foreign government. Section 150.2(b) gives the Secretary the discretion to initiate independently an evaluation concerning issuance, revision, suspension or revocation of a proclamation, or as directed by the Secretary of Commerce.

Section 150.3(a) states that requests for the issuance of a section 902 Presidential proclamation shall be made by "foreign governments." The definition of "foreign government" in section 150.1 of the rules makes clear that international intergovernmental organizations may request Presidential proclamations on behalf of their member states.

Section 150.3(b) lists the documentation that must accompany requests for issuance of a proclamation. The laws, legal rulings, regulations, and administrative orders submitted must be in unedited, full-text form. Where possible, the materials submitted should be reproduced from the original document, e.g., from court reports or statutory instruments. Abstracts, summaries and commentaries are not acceptable. If the documents are not in English, a certified English translation must accompany them.

Section 150.4 sets out the procedure the Commissioner will follow after a request for issuance of a proclamation has been submitted, or following a decision independently to initiate an evaluation. If a foreign government requests a section 902 proclamation before a section 914 proceeding has taken place, under section 150.4(a) the Commissioner may initiate such a proceeding to compile a record of necessary information and, where appropriate, to provide interim protection in the United States while the section 902 request is pending. Section 150.4(b) provides that the information obtained during a section 914

proceeding, if one has been held, will be considered by the Commissioner in determining whether to recommend the issuance of a Presidential proclamation.

Section 150.4(c) provides that requests for Presidential proclamations, and notices of the Commissioner's determination independently to initiate section 902 evaluations, will be published in the *Federal Register*. Written comments will be requested. Section 150.4(d) requires the Commissioner to notify the Register of Copyrights and the Committees on the Judiciary of the Senate and the House of Representatives of the initiation of an evaluation. Under section 150.4(e), a hearing may be scheduled if the written comments raise issues that cannot be resolved through informal contacts. Section 150.4(f) provides that the record to be considered by the Commissioner in determining whether to recommend a Presidential proclamation will be the request from a foreign government, if any, written comments received, the record of any section 914 proceedings, and the information obtained in a hearing, if one is held.

Sections 150.4(g) and (h) provide that the Commissioner will forward the draft recommendation to the Secretary, who will then forward a recommendation regarding issuance of a proclamation to the President. Section 150.5(a) makes clear that the recommendation for issuance of a proclamation may include terms and conditions regarding the duration of the proclamation. Section 150.5(b) provides that interested parties may request the revision, suspension or revocation of Presidential proclamations.

Comments on the Proposed Rules

Comments on the proposed rules were submitted by the Commission of the European Communities and the U.S. Semiconductor Industry Association (SIA). The Commission of the European Communities noted that any request for a proclamation in favor of mask works produced in the Member States will be made by the Commission. The Commission requested a clarification that the term "foreign governments" as used in section 150.3(a) includes international intergovernmental organizations which have been empowered by their member states to request Presidential proclamations granting U.S. protection to mask works produced in such states.

The PTO adopts the Commission's suggestion. The rules are not intended to preclude foreign governments from having requests for Presidential proclamations presented on their behalf by an international or regional intergovernmental organization. Accordingly, a definition of "foreign government" is added as section 150.1(b) of the rules, making clear that international intergovernmental organizations may request Presidential proclamations on behalf of their member states.

In its comments, the SIA requested that section 150.4(c) be amended to require that the Commissioner hold a public hearing when requested by any interested party after an evaluation has begun. As proposed, section 150.4(e)(2)(ii) gives the Commissioner discretion to hold a hearing to gather additional information if material issues raised in written comments cannot be resolved less formally. SIA also requested that section 150.4(f) be amended to include information obtained in public hearings in the list of materials to be evaluated by the Commissioner. SIA suggested that section 150.4(c) specify a time period of thirty (30) days after publication of a request for comments in the *Federal Register* during which written comments and requests for a hearing may be submitted.

The PTO does not agree that the Commissioner should be required to hold a hearing as part of every section 902 evaluation whenever requested. Section 150.4(b) provides that information obtained during section 914 proceedings will be used in evaluating requests for Presidential proclamations. Moreover, under section 150.4(a) the Commissioner may institute section 914 proceedings if an interim order has not been issued in favor of mask works from such a requesting nation. Given the thoroughness with which section 914 proceedings are generally conducted, the Commissioner is expected to have available a substantial record concerning the degree of protection for U.S. mask works in the subject country. A separate hearing might only serve to cause delay in such cases.

Moreover, effective public participation in the section 902 evaluation process is not dependent on whether the Commissioner holds a hearing. The rules proceed from the assumption that any material issues relating to protection of U.S. mask works

in a requesting foreign country can be raised in written comments, and that these issues can be resolved flexibly through informal *inter partes* contacts. Where issues cannot be resolved through such informal contacts, section 150.4(e)(ii) gives the Commissioner discretion to hold a hearing to obtain additional views and to assist in resolving the issues. It is not evident that a mandatory hearing upon request of interested parties would provide an opportunity for exchange of views or information that is not otherwise available under section 150.4(e).

The PTO agrees that, if the Commissioner elects to hold a hearing, the information obtained should be included in the record. Accordingly, section 150.4(f) is amended to make this clarification. It is also proper that the rules specify a time period for the submission of comments following publication in the *Federal Register* of the request for a proclamation or the Commissioner's determination to initiate independently a section 902 evaluation. Thus, to ensure that all interested parties have sufficient time to investigate and prepare complete written comments, section 150.4(c) is amended to specify that comments must be submitted within sixty (60) days of *Federal Register* publication.

Discussion of Principal Changes

A new section 150.1(b) has been added to the rules as proposed to clarify that international or regional intergovernmental organizations may request Presidential proclamations on behalf of their member states, provided the member states have empowered the organization to make such requests. Proposed sections 150.1(c)-(g) have been redesignated as sections 150.1(d)-(h). The definition of "mask work" in section 150.1(d) (proposed section 150.1(c)) has been modified slightly to conform to the language in section 901(a)(2) of the SCPA. The definition of "Presidential proclamation" in section 150.1(e) (proposed section 150.1(d)) has been changed slightly by substituting the words "applying for" for the word "making" before the word "registrations." The purpose of this change is to conform the language of the rule to section 908 of the SCPA, which relates to mask work registration. The definition of "request" in section 150.1(f) (proposed section 150.1(e)) has been changed to indicate that the Commissioner is not required to treat requests for the revision, suspension or revocation of a Presidential proclamation in the same way as requests for issuance of such proclamations (see discussion of section 150.5(b), *infra*).

Section 150.2(a) has been expanded to make clear that the Commissioner may initiate independently an evaluation of recommending the revision, suspension, or revocation of a Presidential proclamation, as well as an evaluation of recommending the issuance of a proclamation. This change reflects the amendment to section 902(a)(2) made by the Semiconductor Chip Protection Act Extension of 1987, which clarifies that the President has the authority to revise, suspend or revoke, as well as issue, proclamations extending protection to foreign mask works.

Section 150.3(b) has been changed to state that requests for issuance of a Presidential proclamation must be accompanied by "a copy" of laws, legal rulings, regulations or administrative orders, rather than "an official copy" of such materials, as was proposed. This change is made to avoid confusion arising from the fact that the meaning of "official copy" may vary from country to country. Section 150.3(b)(5) has been redesignated as section 150.3(b)(6), and a new section 150.3(b)(5) has been added to specify that the copies submitted to the PTO must be in full text, unedited, and where possible, be reproduced from the original document.

Section 150.4(c) has also been changed. The proposed rule stated that notices of requests by foreign governments for the issuance of Presidential proclamations will be published in the *Federal Register*. Language has been added to make clear that notices of the Commissioner's determination independently to initiate evaluations will also be published in the *Federal Register*. Section 150.4(c) has also been changed to provide that comments shall be submitted to the Commissioner within sixty (60) days of publication of the *Federal Register* notice. Section 150.4(f) has been modified to include information obtained in a public hearing held pursuant to section 150.4(e)(ii), if such a hearing is held, in the list of materials to be evaluated by the Commissioner.

Section 150.5(b) has been changed to reflect the amendment to section 902(a)(2) made by the Semiconductor Chip Protection Act Extension of 1987. The first sentence provides that any interested party may request the "revision, suspension or revocation" of a proclamation. The second sentence has been modified to provide that "requests for revision, suspension or revocation of a proclamation will be considered in substantially the same manner as requests for the issuance of a section 902 proclamation." The word "substantially" has been added to indicate that the Commissioner need not initiate a formal evaluation in every case where a request is made for the revision, suspension or revocation of a Presidential proclamation, in contrast to situations where a foreign government requests the issuance of such a proclamation. While good faith requests for the revision, suspension or revocation of a proclamation will be accorded fair procedural treatment, it is proper that the Commissioner have flexibility at the outset to consider such requests on a case-by-case basis as experience is gained under these rules. If necessary, the PTO may amend the rules at a later time to provide additional procedures for consideration of requests for revision, suspension or revocation of Presidential proclamations.

Stylistic changes have also been made in sections 150.2(a), 150.3(b)(6) (proposed section 150.3(b)(5)) and 150.5(a), but these changes are for purposes of clarity and are not substantive in nature.

Other Considerations

This rule does not have a significant impact on the quality of the human environment or the conservation of natural resources. This rule is in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the proposed rule will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*) The economic impact of a Presidential proclamation on small entities will be beneficial, since such proclamations may be issued only upon a finding that a foreign nation extends reciprocal protection to U.S. mask works.

The Patent and Trademark Office has determined that this rule is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. By extending protection to foreign mask work owners, the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets will be enhanced.

The Patent and Trademark Office has also determined that this notice has no federalism implications affecting the relationship between the national government and the states as outlined in Executive Order 12612.

The rule will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3510 *et seq.*, since no record-keeping or reporting requirements within the coverage of the Act are placed upon the public.

List of Subjects in 37 CFR Subchapter C

Administrative practice and procedure, Authority delegations, Semiconductor chips, Mask works.

For the reasons set out in the preamble, Chapter 1 of Title 37 CFR is amended by adding a new Subchapter C, Part 150, as follows:

Subchapter C - PROTECTION OF FOREIGN MASK WORKS

Part 150 - REQUESTS FOR PRESIDENTIAL PROCLAMATIONS PURSUANT TO 17 U.S.C. 902(a)(2)

Sec.

150.1 Definitions.

150.2 Initiation of Evaluation.

150.3 Submission of Requests.

150.4 Evaluation.

150.5 Duration of Proclamation.

150.6 Mailing Address.

Authority: 35 U.S.C. 6; E.O. 12504, 50 FR 4849, 3 CFR, 1985 Comp., p. 335.

Section 150.1 Definitions.

- (a) "Commissioner" means Assistant Secretary and Commissioner of Patents and Trademarks.
- (b) "Foreign government" means the duly-constituted executive of a foreign nation, or an international or regional intergovernmental organization which has been empowered by its member states to request issuance of Presidential proclamations on their behalf under this part.
- (c) "Interim order" means an order issued by the Secretary of Commerce under 17 U.S.C. 914.
- (d) "Mask work" means a series of related images, however fixed or encoded -
 - (1) having or representing the predetermined, three-dimensional pattern of metallic, insulating, or semiconductor material present or removed from the layers of a semiconductor chip product; and
 - (2) in which series the relation of the images to one another is that each image has the pattern of the surface of one form of the semiconductor chip product.

- (e) "Presidential proclamation" means an action by the President extending to foreign nationals, domiciliaries and sovereign authorities the privilege of applying for registrations for mask works pursuant to 17 U.S.C. 902.
- (f) "Request" means a request by a foreign government for the issuance of a Presidential proclamation.
- (g) "Proceeding" means a proceeding to issue an interim order extending protection to foreign nationals, domiciliaries and sovereign authorities under 17 U.S.C. Chapter 9.
- (h) "Secretary" means the Secretary of Commerce.

Section 150.2 Initiation of Evaluation.

- (a) The Commissioner independently or as directed by the Secretary, may initiate an evaluation of the propriety of recommending the issuance, revision, suspension or revocation of a section 902 proclamation.
- (b) The Commissioner shall initiate an evaluation of the propriety of recommending the issuance of a section 902 proclamation upon receipt of a request from a foreign government.

Section 150.3 Submission of Requests.

- (a) Requests for the issuance of a section 902 proclamation shall be submitted by foreign governments for review by the Commissioner.
- (b) Requests for issuance of a proclamation shall include:
 - (1) A copy of the foreign law or legal rulings that provide protection for U.S. mask works which provide a basis for the request.
 - (2) A copy of any regulations or administrative orders implementing the protection.
 - (3) A copy of any laws, regulations or administrative orders establishing or regulating the registration (if any) of mask works.
 - (4) Any other relevant laws, regulations or administrative orders.
 - (5) All copies of laws, legal rulings, regulations or administrative orders submitted must be in unedited, full-text form, and if possible, must be reproduced from the original document.
 - (6) All material submitted must be in the original language, and if not in English, must be accompanied by a certified English translation.

Section 150.4 Evaluation.

- (a) Upon submission of a request by a foreign government for the issuance of a section 902 proclamation, if an interim order under section 914 has not been issued, the Commissioner may initiate a section 914 proceeding if additional information is required.

- (b) If an interim order under section 914 has been issued, the information obtained during the section 914 proceeding will be used in evaluating the request for a section 902 proclamation.
- (c) After the Commissioner receives the request of a foreign government for a section 902 proclamation, or after a determination is made by the Commissioner to initiate independently an evaluation pursuant to section 150.2(a) of this part, a notice will be published in the Federal Register to request relevant and material comments on the adequacy and effectiveness of the protection afforded U.S. mask works under the system of law described in the notice. Comments should include detailed explanations of any alleged deficiencies in the foreign law or any alleged deficiencies in its implementation. If the alleged deficiencies include problems in administration such as registration, the respondent should include as specifically as possible full detailed explanations, including dates for and the nature of any alleged problems. Comments shall be submitted to the Commissioner within sixty (60) days of publication of the *Federal Register* notice.
- (d) The Commissioner shall notify the Register of Copyrights and the Committees on the Judiciary of the Senate and the House of Representatives of the initiation of an evaluation under these regulations.
- (e) If the written comments submitted by any party present relevant and material reasons why a proclamation should not issue, the Commissioner will:
 - (1) Contact the party raising the issue for verification and any needed additional information;
 - (2) Contact the requesting foreign government to determine if the issues raised by the party can be resolved; and,
 - (i) If the issues are resolved, continue with the evaluation; or,
 - (ii) If the issues cannot be resolved on this basis, hold a public hearing to gather additional information.
- (f) The comments, the section 902 request, information obtained from a section 914 proceeding, if any, and information obtained in a hearing held pursuant to subsection (e)(ii) of this section, if any, will be evaluated by the Commissioner.
- (g) The Commissioner will forward the information to the Secretary, together with an evaluation and a draft recommendation.
- (h) The Secretary will forward a recommendation regarding the issuance of a section 902 proclamation to the President.

Section 150.5 Duration of Proclamation.

- (a) The recommendation for the issuance of a proclamation may include terms and conditions regarding the duration of the proclamation.
- (b) Requests for the revision, suspension or revocation of a proclamation may be submitted by any interested party. Requests for revision, suspension or revocation of a proclamation will be considered in substantially the same manner as requests for the issuance of a section 902 proclamation.

Section 150.6 Mailing Address.

Requests and all correspondence submitted pursuant to these guidelines shall be addressed to:

Commissioner of Patents and Trademarks
Box 4
Washington, D.C. 20231

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

June 23, 1988

[1092 OG 52]

(143) Errors in Notice of Allowance

The purpose of this notice is to clarify existing Office practice with respect to providing a new issue fee due date. Sometimes errors appear on the Notice of Allowance, such as an incorrect number of claims, the misspelling of an inventor's name, an incorrect inventorship, or an incorrect title. A duplicate Notice of Allowance correcting the errors may be requested from the Group that mailed the Notice. However, a new issue fee due date will not be provided if the information on the original Notice of Allowance is sufficient to allow a reasonable practitioner to timely file a proper issue fee in the correct application. Specifically, the mere filing of a request for a corrected or duplicate Notice of Allowance will not act to stay the period for paying the issue fee.

JAMES E. DENNY,
*Deputy Assistant Commissioner
for Patents.*

June 12, 1985.

[1056 OG 35]

(144) Initial Guidelines Implementing Changes in 35 U.S.C. 103, 116, and 120

The Patent and Trademark Office has established initial guidelines for patent examiners to use in implementing the changes made in 35 U.S.C. 103, 116, and 120 by Public Law 98-622, the Patent Law Amendments Act of 1984. As a service to the public, those guidelines are published below. A copy of Public Law 98-622 is also being published concurrently herewith. Some of the procedural aspects of matters contained in the guidelines will be incorporated into Title 37 of the Code of Federal Regulation through the rule-making process.

Dec. 11, 1984. RENE D. TEGTMEYER,
*Assistant Commissioner
for Patents.*

Initial Guidelines As To Implementation Of 35 U.S.C. 103

Public Law 98-622 added a new sentence to 35 U.S.C. 103 which reads as follows:

"Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person."

The significant features resulting from this amendment to § 103 are the following:

- (1) The only prior art which is disqualified is prior art under § 102(f) or (g) where the subject matter, i.e., the prior art, and the invention "were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person." (Person includes organization.)
- (2) If the subject matter (prior art) qualifies as prior art under any other section, e.g., § 102(a), (b), or (e), it is still prior art and can be used.
- (3) Amendment applies only to subject matter which qualifies as prior art under § 103; it does not affect subject matter which qualifies as prior art under § 102, i.e., anticipatory prior art.
- (4) Term "another person" means any inventive entity other than the inventor and includes the inventor and any other person.
- (5) Term "developed" is to be read broadly and is not limited to any particular manner of development.
- (6) Subject matter derived from another under § 102(f) is prior art under § 103 unless the derived subject matter and the claimed invention are owned by, or subject to an obligation of assignment to, the same person at the time the claimed invention was made.

- (7) The disclosure of an earlier filed patent application which issues as a patent continues to be prior art under § 102(e) against a later invented and filed application of another inventor even though the patent and the later application are owned by, or subject to an obligation of assignment to, the same person.
- (8) Commonly owned applications, i.e., applications owned by the same person, may be refiled as a single application to avoid one or more of them becoming prior art against another under §§ 102(e) and 103.
- (9) The phrase "owned by the same person" requires that the same person, persons, or organization own 100% of the subject matter (prior art) and 100% of the claimed invention.
- (10) The phrase "subject to an obligation of assignment to the same person" requires that a legal obligation of assignment exist and not merely a moral or unenforceable obligation.
- (11) As long as the same person owns the subject matter and the invention at the time the claimed invention was made, a license to another may be made without the subject matter becoming prior art.
- (12) Amended § 103 requires actual ownership (or obligation to assign) be in existence at the time the claimed invention is made for the subject matter to be disqualified as prior art; acquiring one or the other later is not sufficient.
- (13) Burden of establishing that subject matter is disqualified as prior art is placed on patent applicant and not on the patent examiner once the examiner establishes a *prima facie* case of obviousness based on the prior art.
- (14) Double patenting rejections may now be made in applications based on commonly owned patents of different inventive entities and double patenting rejections of the obviousness type can be overcome by terminal disclaimers.
- (15) A double patenting rejection may also be made in a later filed application where the application/patent on which the rejection is based and the later filed application are not commonly owned as long as one of the inventors is common between the later filed application and the application/patent; such a rejection cannot be overcome by terminal disclaimer in view of the lack of common ownership.
- (16) The Commissioner's Notice of January 9, 1967, "Double Patenting", 834 O.G. 1615 (Jan. 31, 1967) is withdrawn to the extent that it does not authorize a double patenting rejection where different inventive entities are present.
- (17) Inventors of subject matter not commonly owned at the time of the invention may file as joint inventors in a single application. However, the claims in such an application are not protected from a § 102(f) /103 or § 102(g)/103 rejection.

Implementation Steps As To Amended 35 U.S.C. 103

A. Applications To Be Considered

- (1) Amended § 103 does not "affect any final decision made by the court or the Patent and Trademark Office before the date of enactment [November 8, 1984]. . . with respect to a patent or application for patent, if no appeal from such decision is pending and the time for filing an appeal has expired."
- (2) The amendment of § 103 will *not* be considered to apply to:
 - (a) Any application which has been abandoned prior to November 8, 1984, unless such application is revived pursuant to the provisions of 37 CFR 1.137(a) or (b) and is pending on or after November 8, 1984;
 - (b) Any application in which all the claims have been allowed and in which prosecution has been closed prior to November 8, 1984, e.g., by an *Ex parte* Quayle action, a Notice of allowability, or a Notice of Allowance. However, a continuing application would obtain the benefit of amended § 103 if filed prior to the abandonment or issuance of the application; and
 - (c) Any application in which an appeal has been filed and is no longer pending or in which the

time for filing an appeal has expired prior to November 8, 1984. However if the application contains allowed claims on or after November 8, 1984, the allowed claims are subject to amended § 103.

- (3) The amendment to § 103 will be applied to any application (a) which is before the examiner for action and in which all the claims have not been allowed and the prosecution closed or (b) in which prosecution has been closed and is being reopened to reject the allowed claims on grounds other than § 102(f) /103 or § 102(g)/103.
- (4) Applications not before the examiner for action, e.g., an application in which a response from applicant is required, will *not* be considered as to the applicability of amended § 103 unless applicant takes timely action which properly requires an action on the merits by the examiner.

B. Conflicting Co-pending Applications Of Different Inventive Entities With No Indication That They Are Commonly Owned

- (1) If the application files do not establish that they are owned by, or subject to an obligation of assignment to, the same person, the examiner will:
 - (a) assume that the applications are not commonly owned;
 - (b) examine the applications on all grounds other than any conflict between the applications;
 - (c) consider the applicability of § 102(f) /103 or § 102(g)/103 if one application refers to the other (if there is no cross-reference between the applications it would be inappropriate for the examiner to refer to one application in the other in view of 35 U.S.C. 122);
 - (d) consider interference if appropriate;
 - (e) suspend the later filed application if it is otherwise allowable until the earlier filed application is abandoned or issues as a patent and then reject the later filed application under § 102(e)/103, if appropriate; and
 - (f) proceed under item C below if at any time during the examination a statement is made that the applications are commonly owned.

C. Conflicting Co-pending Applications Of Different Inventive Entities Which Are Commonly Owned

- (1) Co-pending applications will be considered by the examiner to be owned by, or subject to an obligation of assignment to, the same person if (a) the application files refer to assignments recorded in the PTO in accordance with 37 CFR 1.331 which convey the entire rights in the applications to the same person(s) or organization(s); or (b) copies of unrecorded assignments which convey the entire rights in the applications to the same person(s) or organization(s) are filed in each of the applications; or (c) an affidavit or declaration by the common owner is filed which states that there is common ownership and explains why the affiant believes there is common ownership; or (d) other evidence is submitted which establishes common ownership of the applications in question, e.g., a court decision determining the owner. In circumstances where the common owner is a corporation or other organization an affidavit or declaration averring common ownership may be signed by an official of the corporation or organization empowered to act on behalf of the corporation or organization.
- (2) If the application files establish that they are owned by, or subject to an obligation of assignment to, the same person, the examiner will:
 - (a) examine the applications as to all grounds except §§ 102(f) and (g) as they apply through § 103 if the application files establish common ownership at the time the later invention was made;
 - (b) examine the applications for double patenting, including double patenting of the obviousness

- type, and make a provisional rejection, if appropriate, (see *In re Mott*, 190 USPQ 536 (CCPA 1976);
- (c) examine the later filed application under § 102(e) as it applies through § 103 and make a provisional rejection under § 102(e)/103 in the later filed application, if appropriate;
 - (d) permit applicant of the later filed application to file an affidavit under 37 CFR 1.131 to overcome the provisional or actual § 102(e)/103 rejection, if appropriate, and a terminal disclaimer to overcome the provisional or actual rejection on double patenting of the obviousness type.

Initial Guidelines As To Implementation Of 35 U.S.C. 116

Public Law 98-622 amended 35 U.S.C. 116 to clarify that each inventor need not "sign the application" in addition to making the required oath and to add a new sentence which reads as follows:

"Inventors may apply for a patent jointly even though (1) they did not physically work together or at the same time, (2) each did not make the same type or amount of contribution, or (3) each did not make a contribution to the subject matter of every claim of the patent."

The significant features resulting from these amendments to § 116 are the following:

- (1) The joint inventors do not have to separately "sign the application," but only need apply for the patent jointly and make the required oath by signing the same; this is a clarification, but not a change in current practice.
- (2) Inventors may apply for a patent jointly even though "they did not work together or at the same time," thereby clarifying (a) that it is not necessary that the inventors physically work together on a project, and (b) that one inventor may "take a step at one time, the other an approach at different times." (*Monsanto Co. v. Kamp*, 154 USPQ 259 (D.D.C. 1967)).
- (3) Inventors may apply for a patent jointly even though "each did not make the same type or amount of contribution," thereby clarifying the "fact that each of the inventors plays a different role and that the contribution of one may not be as great as that of another does not detract from the fact that the invention is joint, if each makes some original contribution, though partial, to the final solution of the problem." *Monsanto*, supra.
- (4) Inventors may apply for a patent jointly even though "each did not make a contribution to the subject matter of every claim of the patent."
- (5) Inventors may apply for a patent jointly as long as each inventor made a contribution, i.e., was an inventor or joint inventor, of the subject matter of at least one claim of the patent; there is no requirement that all the inventors be joint inventors of the subject matter of any one claim.
- (6) If an application by joint inventors includes more than one independent and distinct invention, restriction may be required with the possible result of a necessity to change the inventorship named in the application if the elected invention was not the invention of all the originally named inventors.
- (7) The amendment to § 116 increases the likelihood that different claims of an application or patent may have different dates of invention; when necessary the Office or court may inquire of the patent applicant or owner concerning the inventors and the invention dates for the subject matter of the various claims.

Implementation Steps As To Amended 35 U.S.C. 116

- (1) See items (1) to (4) above under "Applications To Be Considered" for applications to be considered under amended § 116.
- (2) Pending applications will be permitted to be amended by complying with 37 CFR 1.48 to add claims to inventions

by inventors not named when the application was filed as long as such inventions were disclosed in the application as filed since 37 CFR 1.48 permits correction of inventorship where the "correct inventor or inventors are not named in an application for patent through error without any deceptive intention on the part of the actual inventor or inventors."

- (3) Under amended § 116 an examiner will reject claims under § 102(f) only in circumstances where a named inventor is not the inventor of at least one claim in the application; no rejection under § 102(f) is appropriate if a named inventor made a contribution to the invention defined in any claim of the application.
- (4) Under amended § 116 considered in conjunction with amended § 103, a rejection may be appropriate under § 102(f)/103 where the subject matter, i.e., prior art, and the claimed invention were not owned by, or subject to an obligation of assignment to, the same person at the time the invention was made.
- (5) Applicants are responsible for correcting, and will be required to correct, the inventorship in compliance with 37 CFR 1.48 when the application is amended to change the claims so that one (or more) of the named inventors is no longer an inventor of the subject matter of a claim remaining in the application.
- (6) In requiring restriction in an application filed by joint inventors the examiner will remind applicants of the necessity to correct the inventorship pursuant to 37 CFR 1.48 if an invention is elected and the claims to the invention of one or more inventors are cancelled.
- (7) The examiner will not inquire of the patent applicant concerning the inventors and the invention dates for the subject matter of the various claims until it becomes necessary to do so in order to properly examine the application.
- (8) If an application is filed with joint inventors, the examiner will assume that the subject matter of the various claims was commonly owned at the time the inventions covered therein were made, unless there is evidence to the contrary. If inventors of subject matter, not commonly owned at the time of the later invention, file a joint application, applicants have an obligation pursuant to 37 CFR 1.56 to point out the inventor and invention dates of each claim and the lack of common ownership at the time the later invention was made in order that the examiner may consider the applicability of § 102(f)/103 or § 102(g)/103. The examiner will assume, unless there is evidence to the contrary, that applicants are complying with their duty of disclosure.

Initial Guidelines As To Implementation Of 35 U.S.C. 120

Public Law 98-622 amended 35 U.S.C. 120 by striking out "by the same inventor" and inserting in its place "which is filed by an inventor or inventors named in the previously filed application."

The amended first paragraph of 35 U.S.C. 120 (the bracketed portion was deleted and the underlined portion added) reads as follows:

§120. Benefit of earlier filing date in the United States

An application for patent for an invention disclosed in the manner provided by the first paragraph of section 112 of this title in an application previously filed in the United States, or as provided by section 363 of this title, [by the same inventor] which is filed by an inventor or inventors named in the previously filed application shall have the same effect, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application."

The significant features of these amendments to § 120 are the following:

- (1) A later filed application by an inventor or inventors of a previously filed co-pending application may claim the

benefit of the previously filed co-pending application under § 120 even though the later filed application does not name all of the same inventors as the previously filed application.

- (2) In order for the later filed application to be entitled to claim the benefit of the earlier filed co-pending application under § 120 the earlier filed co-pending application must
- have at least one inventor in common with the later filed application;
 - disclose the common inventor's invention in the manner provided by the first paragraph of 35 U.S.C. 112, i.e., fully disclose and support at least one of the common inventor's claims found in the later application.
- (3) When necessary the Patent and Trademark Office or a court may inquire of the patent applicant or owner as to who invented, and the date of invention of, the subject matter being claimed in any claims in the later filed application.
- (4) Double patenting rejections may be applicable, whether or not the applications and patents are commonly owned as long as the applications/ patent(s) have at least one inventor in common.
- (5) If the applications and patents are commonly owned, the rejection of the applications on the grounds of double patenting can be overcome by an appropriate terminal disclaimer as long as the identical invention is not being claimed. See *In re Robeson*, 141 USPQ 485 (CCPA 1964), and *In re Kaye*, 141 USPQ 829 (CCPA 1964).
- (6) If the applications and patents are not commonly owned, the double patenting rejection is entered in the later filed application and cannot be overcome by a terminal disclaimer since the ownership of the subject matter being claimed belongs to someone other than the owner of the later application.

Implementation Steps As To Amended 35 U.S.C. 120

- See items (1) to (4) above under "Applications To Be Considered" for applications to be considered under amended § 120.
- The examiner will examine any earlier filed co-pending application to which priority is claimed under § 120 to determine if
 - the earlier filed co-pending application has at least one inventor in common with the later filed application;
 - the other requirements for claiming benefit under § 120 are met; and
 - a rejection on the grounds of double patenting is proper.
- As long as the formal requirements for claiming benefit under § 120 are met, the examiner will permit the claim to be made without examining the earlier filed co-pending application for disclosure and support of at least one claim of the later filed application under the first paragraph of § 112 unless it becomes necessary to do so, e.g. because of an interference or an intervening reference.
- The examiner will not inquire of the patent applicant as to who invented, and the date of invention of, the subject matter being claimed in any claims in the later filed application until it becomes necessary to do so in order to properly examine the application.
- The examiner will examine the earlier and later filed applications and make actual or provisional rejections for double patenting where appropriate, whether or not the applications are commonly owned.

Example 1 - Single Application - Plural Inventors

Inventors A and B, both employees of Company E with obligation to assign all their inventions to E develop inventions X and Y respectively. An application for patent is properly filed listing A and B as joint inventors and with claims to both X and Y as now possible under § 116 as amended by Public Law 98-622.

Situation 1.

The claims to X and Y are not patentably distinct.

Examiner's Action:

If otherwise patentable over the prior art—allows application.

Situation 2.

The claims to X and Y are patentably distinct.

Examiner's Action:

Require restriction and election of claims to either X or Y. The applicant, after election, must correct the inventorship of the application to list only the inventor of the elected invention; for example, inventor A if claims to invention X were elected. A divisional application with B as inventor and claims to Y may claim benefit of the originally filed application under 35 U.S.C. 120 as amended by Public Law 98-622.

Situation 3.

The application contains a Markush-type claim to X and Y and separate species claims to X and Y.

Examiner's Action:

- Examine the application to determine if the inventions X and Y are restrictable. If so, the claims to elected invention X (assume X is elected by applicants) and the X portion of the Markush claim to X and Y are examined.
 - if the claim to X is allowable, the entire Markush claim and the species claim to Y must also be examined.
 - if the claim to X is not allowable, no further action on species claim Y or the Y portion of the Markush claim is required.

The inventorship of the application at the time of allowance must be corrected, if necessary, to correspond to the inventions covered by the claims allowed.

Example 2 - Multiple applications - plural inventions

Inventors A and B, both employees of Company E, with obligation to assign all their inventions to E, develop inventions X and Y with Y being developed by B after knowledge of A's development of X. A files application on X before B's development of Y and B later files application. Both applications establish they are owned by Company E.

Situation 1.

The claims to X and Y are not patentably distinct.

Examiner's Action:

- Examine the applications as to all grounds except § 102(f) and (g) as they apply through § 103;
- Make a provisional rejection of the later filed application on the grounds of double patenting of the obviousness type, if appropriate. If a terminal disclaimer is filed in accordance with § 1.321(b), the provisional double patenting rejection of the obviousness type will be overcome;
- Examine the later filed application under § 102(e)/103 and make a provisional rejection based on § 102(e)/103, if appropriate. An affidavit under § 1.131 can be filed to overcome the rejection based on § 102(e)/103.

Situation 2.

After receiving the examiner's action in situation 1, A and B filed a continuation-in-part application with inventor C and claim A's invention, B's invention and an improvement they jointly developed with C. A and B abandon their prior applications.

Examiner's Action:

Examine the application in the normal manner; no double patenting and § 102(e)/103 problems now exist.

Example 3 - Two copending applications with no indication in the record of common ownership

Inventor A files an application with claims to invention X. Another copending application is filed by inventor B claiming invention Y. There is no indication of common ownership.

Situation 1.

The claims in the two applications are directed to patentably distinct inventions.

Examiner's Action:

If the claims are otherwise allowable, the applications are both allowed.

Situation 2.

The claims in the two applications are not patentably distinct.

Examiner's Action:

The applications are prosecuted until one application is allowable. If the time difference between the two applications is too large to declare an interference, action on the later filed application is suspended until the earlier filed application issues as a patent. At that time the later filed application is rejected over the earlier filed application under § 102(e)/103.

If the filing dates of the applications are sufficiently close to declare an interference, claims for an interference should be suggested. If the applications are commonly owned, the common owner must make the ownership known. When such common ownership is made known, a provisional double patenting rejection should be made in the later filed application. If the double patenting rejection is of the obviousness type, a terminal disclaimer under 37 CFR 1.321(b) may be filed. The later filed application should be examined under § 102(e)/103 and a provisional rejection based on § 102(e)/103 should be made in the later filed application, if appropriate. An affidavit under § 1.131 can be filed to overcome a rejection based on § 102(e)/103.

Example 4 - Claims in single application by different inventors.

An application for patent is filed in the Patent and Trademark Office in which the owner E sets forth the following information.

"The subject matter of claim 1 was invented by inventor A. The subject matter of claim 2 was invented by inventor B. Inventor B knew of the invention of inventor A at the time he made his invention. Both A and B made their inventions while working for owner E with a duty to assign". The inventions are different but not patentably distinct.

Examiner's Action:

If the claims are patentable over the prior art, the application should be allowed.

Public Law 98—622

Signed November 8, 1984

Ninety-eighth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the twenty-third day of January, one thousand nine hundred and eighty-four

An Act

To amend title 35, United States Code, to increase the effectiveness of the patent laws, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Patent Law Amendments Act of 1984".

TITLE I—PATENT IMPROVEMENT PROVISIONS

USE OF PATENTED INVENTIONS OUTSIDE

THE UNITED STATES

SEC. 101.(a) Section 271 of title 35, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Whoever without authority supplies or causes to be supplied in or from the United States all or a substantial portion of the components of a patented invention, where such components are uncombined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe

the patent if such combination occurred within the United States, shall be liable as an infringer.

"(2) Whoever without authority supplies or causes to be supplied in or from the United States any component of a patented invention that is especially made or especially adapted for use in the invention and not a staple article or commodity of commerce suitable for substantial noninfringing use, where such component is uncombined in whole or in part, knowing that such component is so made or adapted and intending that such component will be combined outside of the United States in a manner that would infringe the patent if such combination occurred within the United States, shall be liable as an infringer."

STATUTORY INVENTION REGISTRATION

SEC. 102.(a) Chapter 14 of title 35, United States Code, is amended by adding at the end thereof the following new section:

§ 157. Statutory invention registration

"(a) Notwithstanding any other provision of this title, the Commissioner is authorized to publish a statutory invention registration containing the specification and drawings of a regularly filed application for a patent without examination if the applicant:

"(1) meets the requirements of section 112 of this title;

"(2) has complied with the requirements for printing, as set forth in regulations of the Commissioner;

"(3) waives the right to receive a patent on the invention within such period as may be prescribed by the Commissioner; and

"(4) pays application, publication, and other processing fees established by the Commissioner.

If an interference is declared with respect to such an application, a statutory invention registration may not be published unless the issue of priority of invention is finally determined in favor of the applicant.

"(b) The waiver under subsection (a)(3) of this section by an applicant shall take effect upon publication of the statutory invention registration.

"(c) A statutory invention registration published pursuant to this section shall have all of the attributes specified for patents in this title except those specified in section 183 and sections 271 through 289 of this title. A statutory invention registration shall not have any of the attributes specified for patents in any other provision of law other than this title. A statutory invention registration published pursuant to this section shall give appropriate notice to the public, pursuant to regulations which the Commissioner shall issue, of the preceding provisions of this subsection. The invention with respect to which a statutory invention certificate is published is not a patented invention for purposes of section 292 of this title.

"(d) The Secretary of Commerce shall report to the Congress annually on the use of statutory invention registrations. Such report shall include an assessment of the degree to which agencies of the Federal Government are making use of the statutory invention registration system, the degree to which it aids the management of federally developed technology, and an assessment of the cost savings to the Federal Government of the use of such procedures."

(b) The table of sections at the beginning of chapter 14 of title 35, United States Code, is amended by adding at the end thereof the following:

"157. Statutory invention registration."

(c) The amendments made by this section shall take effect six months after the date of the enactment of this Act.

PRIOR ART

SEC. 103. Section 103 of title 35, United States Code, is amended by adding at the end thereof the following:

"Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person."

JOINT INVENTORS

SEC. 104. (a) Section 116 of title 35, United States Code, is amended by amending the first paragraph to read as follows:

"When an invention is made by two or more persons jointly, they shall apply for patent jointly and each make the required oath, except as otherwise provided in this title. Inventors may apply for a patent jointly even though (1) they did not physically work together or at the same time, (2) each did not make the same type or amount of contribution, or (3) each did not make a contribution to the subject matter of every claim of the patent."

(b) Section 120 of title 35, United States Code, is amended by striking out "by the same inventor" and inserting in lieu thereof "which is filed by an inventor or inventors named in the previously filed application".

ARBITRATION OF INTERFERENCES

SEC. 105. Section 135 of title 35, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Parties to a patent interference, within such time as may be specified by the Commissioner by regulation, may determine such contest or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of title 9 to the extent such title is not inconsistent with this section. The parties shall give notice of any arbitration award to the Commissioner, and such award shall, as between the parties to the arbitration, be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given. Nothing in this subsection shall preclude the Commissioner from determining patentability of the invention involved in the interference."

EFFECTIVE DATE

SEC. 106. (a) Subject to subsections (b), (c), (d), and (e) of this section, the amendments made by this Act shall apply to all United States patents granted before, on, or after the date of enactment of this Act, and to all applications for United States patents pending on or filed after the date of enactment.

(b) The amendments made by this Act shall not affect any final decision made by the court or the Patent and Trademark Office before the date of enactment of this Act with respect to a patent or application for patent, if no appeal from such decision is pending and the time for filing an appeal has expired.

(c) Section 271(f) of title 35, United States Code, added by section 101 of this Act shall apply only to the supplying, or causing to be supplied, of any component or components of a patented invention after the date of enactment of this Act.

(d) No United States patent granted before the date of enactment of this Act shall abridge or affect the right of any person or his successors in business who made, purchased, or used prior to such effective date anything protected by the patent, to continue the use of, or to sell to others to be used or sold, the specific thing so made, purchased, or used, if the patent claims were invalid or otherwise unenforceable on a ground obviated by section 103 or 104 of this Act and the person made, purchased, or used the specific thing in reasonable reliance on such invalidity or unenforceability. If a person reasonably relied on such invalidity or unenforceability, the court before which such matter is in question may provide for the continued manufacture, use, or sale of the thing made, purchased, or used as specified, or for the manufacture, use, or sale of which substantial preparation was made before the date of enactment of this Act, and it may also provide for the continued practice of any process practiced, or for the practice of which substantial preparation was made, prior to the date of enactment, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the date of enactment.

(e) The amendments made by this Act shall not affect the right of any party in any case pending in court on the date of enactment to have their rights determined on the basis of the substantive law in effect prior to the date of enactment.

**TITLE II—PATENT AND TRADEMARK OFFICE
PROCEDURES**BOARD OF PATENT APPEALS AND
INTERFERENCES

SEC. 201. (a) Section 7 of title 35, United States Code, is amended to read as follows:

§ 7. Board of Patent Appeals and Interferences

"(a) The examiners-in-chief shall be persons of competent legal knowledge and scientific ability, who shall be appointed to the competitive service. The Commissioner, the Deputy Commissioner, the Assistant Commissioners, and the examiners-in-chief shall constitute the Board of Patent Appeals and Interferences.

"(b) The Board of Patent Appeals and Interferences shall, on written appeal of an applicant, review adverse decisions of examiners upon applications for patents and shall determine priority and patentability of invention in interferences declared under section 135(a) of this title. Each appeal and interference shall be heard by at least three members of the Board of Patent Appeals and Interferences, who shall be designated by the Commissioner. Only the Board of Patent Appeals and Interferences has the authority to grant hearings.

"(c) Whenever the Commissioner considers it necessary, in order to keep current the work of the Board of Patent Appeals and Interferences, the Commissioner may designate any patent examiner of the primary examiner grade or higher, having the requisite ability, to serve as examiner-in-chief for periods not exceeding six months each. An examiner so designated shall be qualified to act as a member of the Board of Patent Appeals and Interferences. Not more than one of the members of the Board of Patent Appeals and Interferences hearing an appeal or determining an interference may be an examiner so designated. The Secretary of Commerce is authorized to fix the pay of each designated examiner-in-chief in the Patent and Trademark Office at not to exceed the maximum rate of basic pay payable for grade GS 16 of the General Schedule under section 5332 of title 5. The rate of basic pay of each individual designated examiner-in-chief shall be adjusted, at the close of the period for which that individual was designated to act as examiner-in-chief, to the rate of basic pay which that individual would have been receiving at the close of such period if such designation had not been made."

(b) The item relating to section 7 in the table of sections at the beginning of chapter 1 of title 35, United States Code, is amended by striking out "Appeals" and inserting in lieu thereof "Patent Appeals and Interferences".

INTERFERENCES

SEC. 202. Section 135(a) of title 35, United States Code, is amended to read as follows:

"(a) Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, an interference may be declared and the Commissioner shall give notice of such declaration to the applicants, or applicant and patentee, as the case may be. The Board of Patent Appeals and Interferences shall determine questions of priority of the inventions and may determine questions of patentability. Any final decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent and Trademark Office of the claims involved, and the Commissioner may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims involved in the patent, and notice of such cancellation shall be endorsed on copies of the patent distributed after such cancellation by the Patent and Trademark Office."

APPEALS AND CIVIL ACTIONS

SEC. 203. (a) Section 141 of title 35, United States Code, is amended—

(1) in the first sentence—

(A) by striking out "of the Board of Patent Appeals may appeal" and inserting in lieu thereof "in an appeal to the Board of Patent Appeals and Interferences under section 134 of this title may appeal the decision"; and

(B) by striking out “, thereby waiving his right” and inserting in lieu thereof “. By filing such an appeal the applicant waives his or her right”;

(2) in the second sentence—

(A) by striking out “board of patent interferences on the question of priority may appeal” and inserting in lieu thereof “Board of Patent Appeals and Interferences on the interference may appeal the decision”;

(B) by striking out “according to” and inserting in lieu thereof “in accordance with”; and

(C) by striking out “he” and inserting in lieu thereof “the party”; and

(3) by amending the last sentence to read as follows: “If the appellant does not, within thirty days after the filing of such notice by the adverse party, file a civil action under section 146, the decision appealed from shall govern the further proceedings in the case.”

(b) Section 145 of title 35, United States Code, is amended—

(1) in the first sentence by striking out “Appeals may” and inserting in lieu thereof “Patent Appeals and Interferences in an appeal under section 134 of this title may,” and

(2) in the second sentence by striking out “Appeals” and inserting in lieu thereof “Patent Appeals and Interferences”.

(c) Section 146 of title 35, United States Code, is amended by striking out “board of patent interferences on the question of priority” and inserting in lieu thereof “Board of Patent Appeals and Interferences on the interference”.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 204. (a) Section 41(a)(6) of title 35, United States Code, is amended—

(1) by striking out “Appeals” each place it appears and inserting in lieu thereof “Patent Appeals and Interferences”; and

(2) by inserting “in the appeal” after oral hearing”.

(b)(1) Section 134 of title 35, United States Code, is amended—

(A) in the section caption by striking out “APPEALS” and inserting in lieu thereof “PATENT APPEALS AND INTERFERENCES”; and

(B) by striking out “Appeals” and inserting in lieu thereof “Patent Appeals and Interferences”.

(2) The item relating to section 134 in the table of sections at the beginning of chapter 12 of title 35, United States Code, is amended by striking out “Appeals” and inserting in lieu thereof “Patent Appeals and Interferences”.

(c) Section 305 of title 35, United States Code, is amended by striking out “Appeals” and inserting in lieu thereof “Patent Appeals and Interferences”.

AMENDMENTS TO OTHER PROVISIONS OF LAW

SEC. 205. (a) Section 1295(a)(4)(A) of title 28, United States code, is amended by striking out “Appeals or the Board of Patent” and inserting in lieu thereof “Patent Appeals and”.

(b) Section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182) is amended in the third paragraph—

(1) by striking out “Board of Patent Interferences” and inserting in lieu thereof “the Board of Patent Appeals and Interferences”;

(2) by striking out “the Board of Patent Interferences” and inserting in lieu thereof “the Board of Patent Appeals and Interferences”.

(c)(1) Section 305(d) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457(d)) is amended—

(A) by striking out “a Board of Patent Interferences” and inserting in lieu thereof “the Board of Patent Appeals and Interferences”; and

(B) by striking out “the Board of Patent Interferences” and inserting in lieu thereof “the Board of Patent Appeals and Interferences”.

(2) Section 305(e) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457(e)) is amended by striking out “a Board of Patent Interferences” and inserting in lieu thereof “the Board of Patent Appeals and Interferences”.

SAVINGS PROVISION

SEC. 206. Any individual who, on the effective date of this title, is an examiner-in-chief of the Board of Patent Appeals of the Patent and Trademark Office or an examiner of interferences of the Board of Patent Interferences of such office shall be entitled to continue in office as a member of the Board of Patent Appeals and Interferences of the Patent and Trademark Office as of such effective date.

EFFECTIVE DATE

SEC. 207. Section 206 of this Act and the amendments made by this title shall take effect three months after the date of the enactment of this Act.

TITLE III— NATIONAL COMMISSION ON INNOVATION AND PRODUCTIVITY

ESTABLISHMENT

SEC. 301. There is hereby established a National Commission on Innovation and Productivity (hereinafter in this title referred to as the “Commission”).

MEMBERSHIP OF COMMISSION

SEC. 302. (a) The Commission shall be composed of

(1) three Members of the Senate appointed by the President of the Senate;

(2) three Members of the House of Representatives appointed by the Speaker of the House of Representatives; and

(3) three members appointed by the President of the United States, one of whom the President shall designate as Chairman.

Of the members appointed by the President, one member should be an appropriate officer or employee of the United States, one member should be an employer who employs inventors, and one member should be an employed inventor.

(b) At no time shall more than two of the members appointed under paragraph (1), (2), or (3) of subsection (a) be persons who are members of the same political party.

(c) Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made, and subject to the limitation set forth in subsection (b) with respect to the original appointment.

(d) Six members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

DUTIES OF THE COMMISSION

SEC. 303. The Commission shall make a full and complete review and study of the level of innovation and productivity of employed inventors. Such study shall include an analysis of the various methods available to inspire or stimulate individual and corporate innovation and productivity, including an assessment of the techniques used in other countries to achieve this objective. Such study may include an assessment of those aspects of other areas of intellectual property law that inspire or stimulate such innovation and productivity. The Commission shall make recommendations for such revisions of the laws of the United States, including the repeal of unnecessary or undesirable statutes, and such other changes as the Commission considers will better foster innovation and productivity.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 304. (a) A member of the Commission who is a Member of Congress or a full-time officer or employee of the United States shall receive no additional compensation by reason of his or her service on the Commission.

(b) Subject to amounts provided in advance in appropriations Acts, a member of the Commission from private life shall receive the daily equivalent of the annual rate of basic pay payable for level III of the Executive Schedule for each day (including traveltime) during which such member is engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses

incurred in the performance of such duties, in accordance with subchapter I of chapter 57 of title 5, United States Code.

DIRECTOR AND STAFF

SEC. 305. (a) The Commission shall have a Director who shall be appointed by the Commission and who shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule. The Director, subject to the direction of the Commission, shall supervise the activities of persons employed by the Commission and the preparation of the reports of the Commission and shall perform such other duties as may be assigned to the Director by the Commission.

(b) The Commission may appoint and fix the pay of such additional personnel as it considers appropriate.

(c) The staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the maximum annual rate of basic pay payable for GS— 16 of the General Schedule.

(d) The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

GOVERNMENT AGENCY COOPERATION

SEC. 306. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information and assistance it considers necessary to carry out its functions under this title. Each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information and assistance to the Commission.

REPORT OF THE COMMISSION; TERMINATION

SEC. 307. The Commission shall submit interim reports on its activities to the President and the Congress at such times as the Commission considers appropriate, except that at least one such report shall be so submitted within one year after the date of the enactment of this Act. The Commission shall submit its final report on its activities to the President and the Congress within two years after such date of enactment. The Commission shall cease to exist sixty days after the date of the submission of its final report.

ADMINISTRATIVE SERVICES

SEC. 308. The General Services Administration shall provide administrative services for the Commission on a reimbursable basis.

AUTHORIZATION OF APPROPRIATIONS

SEC. 309. There is authorized to be appropriated \$250,000 to carry out this title.

EFFECTIVE DATE

SEC. 310. This title shall take effect on January 21, 1985.

TITLE IV— MISCELLANEOUS PROVISIONS

INTERNATIONAL STAGE

SEC. 401. (a) Section 361(d) of title 35, United States Code, is amended in the first sentence by inserting “or within one month after the date of such filing” after “application”.

(b) Section 366 of title 35, United States Code, is amended—
(1) in the first sentence—

(A) by inserting “after the date of withdrawal,” after “effect”; and

(B) by inserting before the period the following: “, unless a claim for the benefit of a prior filing date under section 365(c) of this part was made in a national application, or an international application designating

the United States, filed before the date of such withdrawal”; and

(2) in the second sentence by inserting “withdrawn” after “such”.

NATIONAL STAGE

SEC. 402. (a) Section 371(a) of title 35, United States Code, is amended—

(1) by striking out “is” and inserting in lieu thereof “may be”; and

(2) by striking out”, except those filed in the Patent Office”.

(b) Section 371(b) of title 35, United States Code, is amended to read as follows:

“(b) Subject to subsection (f) of this section, the national stage shall commence with the expiration of the applicable time limit under article 22(1) or (2) of the treaty.”

(c) Section 371(c)(2) of title 35, United States Code, is amended—

(1) by striking out “received from” and inserting in lieu thereof “communicated by”; and

(2) by striking out “verified” before “translation”.

(d) Section 371(d) of title 35, United States Code, is amended to read as follows:

“(d) The requirements with respect to the national fee referred to in subsection (c)(1), the translation referred to in subsection (c)(2), and the oath or declaration referred to in subsection (c)(4) of this section shall be complied with by the date of the commencement of the national stage or by such later time as may be fixed by the Commissioner. The copy of the international application referred to in subsection (c)(2) shall be submitted by the date of the commencement of the national stage. Failure to comply with these requirements shall be regarded as abandonment of the application by the parties thereof, unless it be shown to the satisfaction of the Commissioner that such failure to comply was unavoidable. The payment of a surcharge may be required as a condition of accepting the national fee referred to in subsection (c)(1) or the oath or declaration referred to in subsection (c)(4) of this section if these requirements are not met by the date of the commencement of the national stage. The requirements of subsection (c)(3) of this section shall be complied with by the date of the commencement of the national stage, and failure to do so shall be regarded as a cancellation of the amendments to the claims in the international application made under article 19 of the treaty.”

(e) Section 372(b) of title 35, United States Code, is amended—

(1) by striking out the period at the end of paragraph (2) and inserting in lieu thereof “; and”; and

(2) by adding at the end thereof the following:

“(3) the Commissioner may require a verification of the translation of the international application or any other document pertaining to the application if the application or other document was filed in a language other than English.”

(f) Section 372 of title 35, United States Code, is amended by striking out subsection (c).

(g) Section 376(a) of title 35, United States Code, is amended by striking out paragraph (5) and redesignating paragraph (6) as paragraph (5).

TECHNICAL AMENDMENTS

SEC. 403. (a) Title 35, United States Code, is amended by striking out “Patent Office” each place it appears and inserting in lieu thereof “Patent and Trademark Office”.

(b) The table of parts at the beginning of title 35, United States Code, is amended by adding at the end thereof the following:

“IV. Patent Cooperation Treaty 351”

PATENT FEES

SEC. 404. (a) Notwithstanding section 41 of title 35, United States Code, as in effect before the enactment of Public Law 97-247 (96 Stat. 317), no fee shall be collected for maintaining a plant patent in force.

(b) Notwithstanding section 41(c) of title 35, United States Code, as in effect before the enactment of Public Law 97-247 (96 Stat. 317), the Commissioner of Patents and Trademarks

may accept, after the six-month grace period referred to in such section 41(c), the payment of any maintenance fee due on any patent based on an application filed in the Patent and Trademark Office on or after December 12, 1980, and before August 27, 1982, to the same extent as in the case of patents based on applications filed in the Patent and Trademark Office on or after August 27, 1982.

TRADEMARK TRIAL AND APPEAL BOARD

SEC. 405. Section 3 of title 35, United States Code, is amended by adding at the end thereof the following:

"(e) The members of the Trademark Trial and Appeal Board of the Patent and Trademark Office shall each be paid at a rate not to exceed the maximum rate of basic pay payable for GS-16 of the General Schedule under section 5332 of title 5."

EFFECTIVE DATE

SEC. 406. (a) Section 404 of this Act and the amendments made by section 403 of this Act shall take effect on the date of the enactment of this Act.

(b) The amendments made by sections 401, 402, and of this Act shall take effect six months after the date of the enactment of this Act.

[1050 OG 316]

(145) Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket no. 41269-5018]

Final Rules for Miscellaneous Patent Provisions

Agency: Patent and Trademark Office, Commerce

Action: Notice of final rulemaking

Summary: The Patent and Trademark Office is amending the rules of practice in patent cases, Part I of Title 37, Code of Federal Regulations, to provide rules and procedures for the miscellaneous patent provisions enacted into law by Public Laws 98-620 and 98-622, on Nov. 8, 1984, in which statutory invention registrations, changes in appeals to the courts, prior art and joint inventor provisions and PCT international application filing and processing procedures were established or amended. The rulemaking provides specific rules and procedures for the new and amended provisions.

Effective Date: May 8, 1985

For Further Information Contact: R. Franklin Burnett by telephone at (703) 557-3054 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed primarily to establish a set of rules and procedures for the various requirements of Public Laws 98-620 and 98-622 concerning appeals to the courts, statutory invention registrations, rejections based on prior art and double patenting, and filing of international applications under the Patent Cooperation Treaty. The proposed rules were published on Jan. 25, 1985 in Volume 50 of the Federal Register, pages 3712 through 3725. A public hearing was held on the proposed rule changes on Feb. 8, 1985.

Background Information: Most of the rule changes contained herein are necessary as a result of Public Laws 98-620 or 98-622, both of which were signed by President Reagan on Nov. 8, 1984. The following is a summary of the purposes of the various statutory amendments.

Amended 35 U.S.C. 103 - Unpublished knowledge of prior art.

Public Law 98-622 changes a complex body of case law which discourages communication among members of research teams working in corporations, universities or other organizations. It amended 35 U.S.C. section 103 by adding a new sentence which provides that subject matter developed by another which qualifies as "prior art" only under subsections 102(f) or (g) of 35 U.S.C. is not to be considered when determining

whether an invention sought to be patented is obvious under 35 U.S.C. 103, provided the subject matter and the claimed invention were commonly owned at the time the invention was made.

"Prior art" is the existing body of technical information against which the patentability of an invention is judged. Publicly known information is always considered in determining whether an invention would have been obvious. However, under *In re Bass*, 474 F.2d 1276, 177 USPQ 178 (CCPA 1973), and *In re Clemens*, 622 F.2d 1029, 206 USPQ 289 (CCPA 1980), an earlier invention which is not public could have been treated under 35 U.S.C. 102(g), and possibly under 102(f), as prior art with respect to a later invention made by another employee of the same organization.

New technology often is developed by using background scientific or technical information known within an organization but unknown to the public. Public Law 98-622, by disqualifying such background information from prior art, encourages communication among members of research teams, and leads to more public dissemination through patents of the results of team research.

The subject matter that is disqualified as prior art under 35 U.S.C. 103 is strictly limited to subject matter that qualifies as prior art only under 35 U.S.C. 102(f) or 102(g). If the subject matter qualifies as prior art under any other subsection—e.g., subsection 102(a), 102(b) or 102(e)—it will not be disqualified as prior art under the amendment to section 103.

The contents of a patent of the same or different ownership as an application, continues to be available as prior art against the application under section 103 by virtue of section 102(e) as of the application filing date of the patent. If subject matter becomes potential prior art under section 102 (e) because a patent application is filed on such subject matter before a commonly owned claimed invention is made the subject matter of a later application the two applications may be combined (under amended §§ 116 and 120) into a single application and such subject matter (with the abandonment of the two applications) would no longer constitute potential prior art under section 102(e) or under section 103 since it would not be "described in a patent granted on an application for patent by another."

It is important to recognize that the amendment to the law applies only to consideration of prior art for purposes of section 103. It does not apply to or affect subject matter which qualifies as prior art under section 102. A patent applicant urging that subject matter is disqualified has the burden of establishing that it was commonly owned at the time the claimed invention was made.

Public Law 98-622 was not intended to permit anyone other than the inventors to be named in a patent application or patent. Also, the amendment was not intended to enable appropriation of the invention of another.

The Patent and Trademark Office has withdrawn the Commissioner's Notice of Jan. 9, 1967, "Double Patenting", 834 O.G. 1615 (Jan. 31, 1967), to the extent that it does not authorize a double patenting rejection where different inventive entities are present. See the Commissioner's Notice of Dec. 11, 1984, "Initial Guidelines Implementing Changes in 35 U.S.C. 103 116, and 120", 1050 O.G. 316 (Jan. 8, 1985). The Office is reconstituting, in appropriate circumstances, the practice of rejecting claims in commonly owned applications of different inventive entities on the ground of double patenting. See 130 Cong. Rec. H 10527, column 3 (daily ed. Oct. 1, 1984) (statement of Rep. Kastenmeier); *In re Rogers*, 394 F.2d 566, 567 n. 4, 157 USPQ 569, 570 n. 4 (CCPA 1964). This is in accordance with existing case law and prevents an organization from obtaining two or more patents with different expiration dates covering nearly identical subject matter. See *In re Zickendraht*, 319 F.2d 225, 138 USPQ 22 (CCPA 1963) ("The doctrine is well established that claims in different applications need be more than merely different in form or content; and that patentable distinction must exist to entitle applicants to a second patent") and *In re Christensen*, 330 F.2d 652, 141 USPQ 295 (CCPA 1964) ("... the correct procedure for double patenting cases is to analyze the claims to determine the inventions defined therein, and then decide whether such inventions, as claimed are patentably distinct and therefore qualified to be claimed in separate patents"). In accordance with established patent law doctrines, double patenting rejections can be overcome in certain

circumstances by disclaiming, pursuant to the existing provisions of 37 CFR 1.321, the terminal portion of the term of the later patent and including in the disclaimer a provision that the patent shall be enforceable only for and during the period the patent is commonly owned with the application or patent which formed the basis for the rejection, thereby eliminating the problem of extending patent life.

Information learned from or transmitted to persons outside the organization is not disqualified as prior art.

The term "subject matter" will be construed broadly, in the same manner the term is construed in the remainder of § 103. The term "another" as used in § 103 means any inventive entity other than the inventor and would include the inventor and any other persons. The term "developed" is to be read broadly and is not limited by the manner in which the development occurred. The term "commonly owned" means wholly owned by the same person, persons, or organization at the time the invention was made.

Amended 35 U.S.C. 116 - Joint inventor filing

35 U.S.C. 116 as amended by Public Law 98-622 recognizes the realities of modern team research. A research project may include many inventions. Some inventions may have contributions made by individuals who are not involved in other, related inventions.

Amended 35 U.S.C. 116 allows inventors to apply for a patent jointly even though (i) they did not physically work together or at the same time, (ii) each did not make the same type or amount of contribution, or (iii) each did not make a contribution to the subject matter of every claim of the patent. Items (i) and (ii) adopt the rationale stated in decisions such as *Monsanto v. Kamp*, 269 F. Supp. 818, 154 USPQ 259 (D.D.C. 1967). Item (iii) adopts the rationale of cases such as *SAB Industries AB v. Bendix Corp.*, 199 USPQ 95 (E.D. Va. 1978).

Like other patent applications, jointly-filed applications are subject to the requirements of 35 U.S.C. 121 that an application be directed to only a single invention. If more than one invention is included in the application, the Patent and Trademark Office may require the application to be restricted to one of the inventions. In such a case, a "divisional" application complying with 35 U.S.C. 120 would be entitled to the benefit of the earlier filing date of the original application.

It is possible that different claims of an application or patent may have different dates of invention even though the patent covers only one independent and distinct invention within the meaning of 35 U.S.C. 121. When necessary, the Patent and Trademark Office or a court may inquire of the patent application or owner concerning the inventors and the invention dates for the subject matter of the various claims.

Amended 35 U.S.C. 120 - Benefit of prior U.S. application

35 U.S.C. 120 was amended by Public Law 98-622 to provide that an application can obtain the benefit of the filing date of an earlier application when not all inventors named in the joint application are the same as those named in the earlier application. This amendment permits greater latitude in filing divisional applications. For example, if the previously filed application named inventors A and B as the inventors, a later application by either A or B could be filed during the pendency of the previously filed application and claim benefit of the previously filed application. In order for a claim to be entitled to the benefit of an earlier pending application, the subject matter of the claim of the later application would have to be disclosed in the earlier application.

Similarly, if inventor A filed an application on an invention and during the pendency of that application made an improvement on the subject matter of the application as a joint inventor with inventor B, the joint application filed on behalf of inventors A and B could claim the benefit of A's previously filed sole application to the extent that the later filed joint application contained claims directed solely to A's subject matter which was disclosed in the earlier filed pending application in the manner provided by the first paragraph of section 112 of title 35, U.S.C.

Likewise, an application filed by inventors A and C could claim the benefit of an earlier filed pending application of

inventors A and B, to the extent that the requirements of section 120 could be met.

Like other patent applications, jointly-filed applications will continue to be subject to the requirement of 35 U.S.C. 121 that an application be directed to only a single invention. If more than one invention is included in the application, the Patent and Trademark Office may require the application to be restricted to one of the inventions. In such a case, a "divisional" application would be entitled to the benefit of the earlier filing date of the original application.

New 35 U.S.C. 157 - Statutory Invention Registration (SIR)

This section which is effective on May 8, 1985, establishes an optional procedure by which an inventor may secure protection which is strictly defensive in nature.

Under current law, there is no simple, practical method by which an inventor can protect his or her ability to exploit the invention without obtaining a patent. The new procedure confers on an inventor the same defensive rights that a patent provides to prevent others from patenting the invention. However, it does not permit the holder to exclude others from making, using or selling the invention.

Due to the fact that a SIR does not grant an exclusive right to an inventor, it is not necessary to subject a SIR to the lengthy examination process required for the granting of a patent. Such an examination is necessary if the SIR is subject to an interference proceeding to determine priority of invention. In all other instances, the Patent and Trademark Office will only review the application for adherence to formal printing and fee payment requirements and to ensure that the requirements of 35 U.S.C. 112 are satisfied.

An applicant desiring to have a SIR published will be required to file a regular complete application for a patent and to execute a request including a waiver of enforcement of patent rights. This waiver of the claimed invention will be effective at the time of publication. The original application can be abandoned in favor of a continuing application for a patent, claiming the filing date of the earlier filed application, by filing an express abandonment of the original application and a timely request or petition to withdraw the request for a SIR prior to publication of the SIR, thereby providing the applicant with flexibility during the pendency period of the application. Until the SIR is published the application remains an application for a patent. However, the holder of a SIR will not be able to file a reissue application to recapture the rights to exclusive use that were waived by the initial publication of the SIR.

The waiver of the right to receive a patent, required of all applicants electing to receive a SIR, applies to those remedies provided for the enforcement of a patent under section 183 and sections 271 through 289 of title 35, United States Code. The waiver also applies to remedies under other titles of the United States Code including sections 1337 and 1337a of title 19, section 2356 of title 22, and section 1498 of title 28. This waiver of enforcement applies only to the claimed subject matter of the SIR and not to any foreign patent arising from an application which might have served as the basis of a priority claim under the Paris Convention for the Protection of Industrial Property. Likewise, the waiver does not prevent the holder of a SIR from asserting any defenses provided in sections 271 through 289 of title 35, U.S.C. with respect to a charge of infringement of any other patent.

The Commissioner of Patents and Trademarks can refuse to accept the waiver in certain cases. For example, the waiver could not be accepted if the waiver is not a waiver of all the previously mentioned rights. The Commissioner also has discretion, which has not been exercised at this time, to set time limits on the waiver. This would allow the Commissioner to limit the ability of an inventor to keep inventions secret through a series of continuing patent applications followed by a conversion to a SIR.

The waiver of patent rights in the SIR to the subject matter claimed therein may affect the patentability of a claim in other related applications, particularly divisional applications, since the waiver of patent rights would be effective for all inventions claimed in the SIR and would be effective as a waiver of the right of the inventor to obtain a patent on the invention claimed in the same application or any other application, but not in any patent issued before the date the SIR is published. Where an

application containing generic claims is published as a SIR, the waiver in that application applies to any other related applications, including divisions, continuations, and continuations-in-part, to the extent that the same invention claimed in the SIR is also claimed in the other related application.

The Patent and Trademark Office will apply standards similar to those which it applies in making determinations of "same invention" double patenting for purposes of determining whether or not a waiver by an inventor to claims in a SIR precludes patenting by the same inventor to subject matter in any other related application.

Therefore, the waiver would preclude patenting of an invention claimed by an inventor in a related application which is the same as the invention claimed by the same inventor in the SIR. When making this determination it is the claimed subject matter of the related application. Where the subject matter claimed in the related application is the same as the subject matter waived in the SIR, i.e., the "same invention" in the double patenting sense, the claims of the related application will be rejected as being precluded by the waiver in the SIR and cannot be overcome by a terminal disclaimer. The limitation of the scope of the waiver to the claimed invention would not affect the application of existing § 1.658(c) should the SIR become involved in an interference. If a divisional application is filed and published as a SIR claiming only a method, publication thereof will not normally effect a waiver on an application for a patent claiming only an apparatus. The waiver in a SIR would not affect any rights in a patent which issued prior to the date of publication of the SIR, but would preclude an already issued patent from being broadened by reissue if the rights to the subject matter to which broadened claims relate have been waived by publication of the SIR. The waiver applies to any rights of the same inventor in any application pending when the SIR is published even if the inventor is a joint applicant in the pending application and was a sole applicant in the application published as a SIR. The waiver would not affect the rights of any other inventor even though those rights are commonly owned by the same person.

The holder of a SIR containing the required waiver will be left without the offensive rights associated with a patent. In other respects a SIR will be the same as a patent, including the application which is published as a SIR serving as the basis for a priority claim in a foreign application under the Paris Convention. A SIR will be treated the same as a U.S. patent for all defensive purposes. The application, and the SIR published therefrom, could become involved in an interference; the SIR would be a "constructive reduction to practice" under 35 U.S.C. 102(g); it will be "prior art" under all applicable sections of 35 U.S.C. 102 including section 102(e); and it will be classified, cross-referenced and placed in the search files, disseminated to foreign patent offices, stored in the Patent and Trademark Office computer tapes, made available in commercial data bases, and announced in the *Official Gazette* of the Patent and Trademark Office. A published SIR is intended to be a fully viable publication for defensive purposes, usable as a reference as of its filing date in the same manner as a patent. A SIR will also serve as a basis to initiate or participate in an interference or priority proceeding under 35 U.S.C. 291 in a manner similar to a patent and can be used as a reference in defense of an infringement suit.

A SIR is based on a regularly filed application for a patent. Therefore, the filing date of the application will be a sufficient basis for a priority claim in a foreign application. Article 4, section A(3) of the Paris Convention states:

"By a regular national filing is meant any filing that is adequate to establish the date on which the application was filed in the country concerned, whatever may be the subsequent fate of the application."

After a SIR is published, markings such as "patent pending" are improper under section 292 of title 35 of the United States Code.

The SIR will serve as a replacement for the current "defensive publication program" which was established by regulation under 37 CFR 1.139. Although publication under the "defensive publication program" was intended to provide rights similar to those of the SIR, publication under that program has been held not to be available as evidence of prior knowledge as of its filing

date under section 102(a) of title 35, U.S.C. (*Ex parte Osmond*, 191 USPQ 334 (P.T.O. Bd. App. 1976)). The use of a "defensive publication" as a reference to prevent a patent from issuing on a subsequent application is therefore limited. A SIR, on the other hand, will have a clear statutory basis in title 35, U.S.C. The SIR will be "prior art" and a "constructive reduction to practice" under section 102(a) and section 102(g), respectively, as of the filing date of the application on which it is based.

A SIR will not be subject to reexamination under sections 302 to 307 of title 35, United States Code.

The Commissioner is authorized to issue SIRs for defensive purposes, but is not required to do so. The Commissioner has discretion in determining whether or not a SIR should be issued on a particular application. In circumstances where the subject matter is obviously not an invention, is too informal to print, and so forth, the Commissioner has the right to refuse to publish the SIR.

SIRs will be published sooner than patents because no substantive examination will normally be required for SIRs. To the extent that examination is required, it will be conducted in the same manner as in any other patent application. Maintenance fees will not be charged for SIRs.

Since the fees set by the Commissioner for the new SIR procedure under section 157 of title 35, U.S.C. are not established under section 41(a) or (b) of that title, they are not subject to reduction if the applicant has small entity status.

If the fee for requesting publication is not paid at the time of filing of the waiver of the right to receive a patent, the Commissioner may set a period within which the fee must be paid to prevent abandonment of the application. Such a period would be subject to petitions and fees for extensions of time. If abandonment should occur, the application may be revived.

In the final analysis, the SIR procedures set forth in the law should give inventors defensive protection more cheaply than they could get by obtaining a patent. The procedure will allow the government and the private sector to make inventions public knowledge. Last, the SIR would be particularly useful to those with limited resources such as universities and small businesses, who have a new, less expensive alternative to the traditional patenting of inventions.

Amended 35 U.S.C. 361, 366, 371, 372 and 376 - Miscellaneous provisions relating to the applications under the Patent Cooperation Treaty.

Section 361(d) of title 35, United States Code, was amended effective May 8, 1985, to provide a one-month grace period from the date of filing an international application for payment of the basic international fee and the transmittal and search fees.

Section 366 of title 35, United States Code, was amended, effective May 8, 1985, to clarify the effect of withdrawal of an international application on claims for the benefit of its filing date. The withdrawal of an international application designating the United States will not deprive an applicant of the right to claim the benefit of the filing date of such an international application in a later filed application, provided the claim for benefit is made before that international application is withdrawn. Stated otherwise, this clarifies that withdrawing the designation of the United States in an international application is comparable to abandoning a national application as far as a claim for an earlier filing date is concerned.

National Stage

As a general proposition, the amendments made to 35 U.S.C. 371 set forth a legislative scheme, effective May 8, 1985, to provide greater flexibility in the Patent and Trademark Office for the handling of international applications. In addition, by relaxing the requirements which international applicants must satisfy by the commencement of the national stage, the amendments give international applicants benefits similar to those given national applications by section 111, 35 U.S.C. as amended by Public Law 97-247 with respect to the time for filing the national fee and oath or declaration.

Section 372(b) of title 35, United States Code, is amended, effective May 8, 1985, to authorize the Commissioner to require a verification of the translation of an international application or any other document pertaining thereto if the application or other document was filed in a language other than English. An

authorization for the Commissioner to require verification in appropriate cases is necessary since subsection (c)(2) of section 371 was amended to remove the requirement that the translation be verified in all cases.

Section 372(c) of title 35, United States Code, was deleted thereby discontinuing the requirement for payment of a special fee to maintain claims in an international application which were not searched by an international searching authority. This deletion was made to place international applications processed in the national stage on the same footing as purely national applications.

Section 376(a) of title 35, United States Code, was also amended by Public Law 98-622 to delete mention of the special fee in order to conform with the amendment of section 372(c).

Discussion of Specific Rules

Section 1.11 is amended as proposed to add a reference to published statutory invention registrations in paragraph (a) to indicate that they are available to the public. The portion of present § 1.11(a) which deals with interferences is transferred to a new paragraph (e) and rewritten.

The amendment to paragraph (b) deletes reference to § 1.139, which is being deleted in favor of the SIR, and inserts language which covers opening to the public defensive publications published under § 1.139 as well as other applications laid open to the public such as the previously published abstracts and abbreviations.

Section 1.11 is amended as proposed to delete the word "general" before public as unnecessary.

New paragraph (e) of § 1.11 is added to cover the availability to the public of all interferences, including those which involved a statutory invention registration. This paragraph applies to interferences declared under the new rules which became effective on Feb. 11, 1985, 49 F.R. 48416, (Dec. 12, 1984) as well as the rules formerly in effect. The term "award of priority" is intended to refer to those decisions of the Board of Patent Interferences, or Board of Patent Appeals and Interferences, awarding priority in interferences conducted under the former rules. The term "judgment" refers to judgments entered by the Board of Patent Appeals and Interferences in interferences conducted under the new rules. The language of the proposed rule has been slightly modified for clarity in the final rule.

Section 1.14 is amended as proposed to delete reference to § 1.139 since that section is being removed.

Section 1.17 paragraph (h) is amended as proposed to include the petition fee required by new § 1.295.

Section 1.17 is amended to add new paragraphs (n) and (o) to establish fees for requesting publication of statutory invention registrations. Paragraph (n) establishes a \$400.00 fee for requesting publication of a statutory invention registration where no first examiner's action pursuant to § 1.104 has been issued in the application. The amount paid for basic filing fees under § 1.16(a), (f) or (g) will be credited against this amount. For example, if a \$300.00 filing fee was paid, only \$100.00 additional would be required for requesting publication of a statutory invention registration.

The addition of paragraph (o) to § 1.17 is similar to the addition of paragraph (n) but establishes a fee for requesting publication of applications, which have received any examiner's action pursuant to § 1.104, as a statutory invention registration. The higher fee of \$800.00 set in paragraph (o) is necessary in view of the expenditure of additional Office resources in examining the application prior to the filing of the request for a statutory invention registration.

Section 1.19 is amended as proposed to provide in paragraph (a)(1) a reference to the cost of a printed copy of a statutory invention registration and in paragraph (e) to provide reference to statutory invention registrations listed by subclass.

Section 1.20 is amended as proposed to delete the requirement to pay maintenance fees in all plant patents in view of the amendment in Public Law 98-622. Paragraph 1.20(m) is amended as proposed to provide that non-timely payment of maintenance fees may be accepted in patents based on applications filed prior to Aug. 27, 1982, in accordance with Public Law 98-622.

Public Law 98-622 provides that no maintenance fees are charged for plant patents, regardless of when filed. Without this provision that no maintenance fees be charged for plant patents,

plant patent owners whose applications were filed between the dates of enactment of Public Law 96-517 and Public Law 97-247 (Dec. 12, 1980 to Aug. 27, 1982) would be subject to payment of maintenance fees, while plant patent owners whose applications were filed outside those dates would not be subject to such fees. Public Law 98-622 eliminates that inconsistency.

Section 1.45 is amended as proposed to reflect the change made by Public Law 98-622 in 35 U.S.C. 116. The previously existing paragraph is designated as paragraph (a). New paragraph (b) incorporates the wording added to 35 U.S.C. 116 by Public Law 98-622. New paragraph (c) indicates that each named inventor listed in an application must have made a contribution, individually or jointly, to the subject matter of at least one claim of the application and that the application will be considered to be a joint application under 35 U.S.C. 116.

Section 1.48 is amended to add new paragraphs (b) and (c). New paragraph (b) provides for deleting the names of persons originally properly included as inventors, but whose invention is no longer being claimed in the application. Such a situation would arise where claims have been amended or deleted because they are unpatentable or as a result of a requirement for restriction of the application to one invention, or for other reasons. Public Law 98-622 and § 1.48(b) change the result reached in *Ex parte Lyon*, 146 USPQ 222, 1965 Dec. Comm'r. Pat. 362 (Bd. App. 1964). The final rule has fewer requirements than the proposed rule for correction of inventorship in this situation. The proposed rule would have required, in addition to the requirements of the final rule, an oath or declaration by each actual inventor or inventors as required by § 1.63 and the written consent of any assignee. The final rule requires only a petition and fee with the petition including a statement identifying each named inventor who is being deleted and acknowledging that the inventor's invention is no longer being claimed in the application. The amendment would have to be diligently made under paragraph (b).

The final rule adds a paragraph (c) in response to a comment to provide for the situation where an application discloses unclaimed subject matter by an inventor or inventors not named in the application as filed. In such a situation, the application may be amended pursuant to paragraph (a) of § 1.48 to add claims to the subject matter and also to name the correct inventors for the application. The claims would be added by an amendment and, in addition, an amendment pursuant to paragraph (a) of § 1.48 would be required to correct the inventors named in the application. Any claims added to the application must be supported by the disclosure as filed and cannot add new matter.

Section 1.60 is amended to include wording which would permit an application to be filed under this section only if it named as inventors the same or less than all the inventors who were named and signed the oath or declaration in the prior application. This addition is necessary in view of the new provisions of 35 U.S.C. 120, as amended by Public Law 98-622, which permit continuing applications to be filed by different inventors. Under § 1.60 additional inventors are not permitted to be named since the oath or declaration from the prior application is relied upon.

Section 1.61 is amended as proposed to incorporate the ability to file the translation, oath or declaration, and national fee after the 20 month deadline set forth in PCT Article 22(1) for entering the national phase in the United States Patent and Trademark Office.

Public Law 98-622 amended 35 U.S.C. 371(a) to provide greater flexibility for the PTO handling international applications. Also, 35 U.S.C. 371(a), by relaxing the requirements which international applicants must satisfy by the commencement of the national stage, gives international applicants benefits similar to those given national applicants under 35 U.S.C. 111 by P.L. 97-247 with respect to the time for filing the national fee and oath or declaration.

Paragraph (b) of § 1.61 is amended to delete the 2 month time period to conform with the decision concerning PCT Article 22(2) adopted by the Assembly of the International Patent Cooperation Union (PCT Union) on Feb. 3, 1984. The amendment to the Article took effect on Jan. 1, 1985.

PCT Article 22(2) as amended, reads as follows:

"Where the International Searching Authority makes a declaration, under Article 17(2)(a), that no international

search report will be established, the time limit for performing the acts referred to in paragraph (1) of this Article shall be the same as that provided in paragraph (1)."

The additional wording to paragraph (b) of § 1.61 sets forth the ability to comply with the requirements for entering the national phase before the Patent and Trademark Office as a Designated Office within 22 months of the priority date. If the national fee or oath or declaration is submitted later than 20 months after the priority date, a surcharge as set in § 1.445(a) (5) is required to be paid. If a required English translation of the international application is filed later than 20 months after the priority date, a processing fee as set in § 1.445(a) (6) is required to be paid.

New paragraph (c) of § 1.61 provides that any amendments under PCT Article 19 which are not received along with any necessary English translation by the end of 20 months from the priority date will be considered as cancelled. This change is required in view of amended § 371(d) of 35 U.S.C.

Paragraph (d) is added as proposed to § 1.61 in view of § 372(b) of title 35, United States Code, as amended by Public Law 98-622, which authorizes the Commissioner to require a verification of the translation of an international application or any other document pertaining thereto if the application or other document was filed in a language other than English. An authorization for the Commissioner to require verification in appropriate cases was necessary since subsection (c) (2) of 35 U.S.C. 371 was amended to remove the requirement that the translation be verified in all cases.

Section 1.62 is amended by revising paragraphs (a), (c), and (h) to include wording which would permit a continuing application to be filed under this section by the same or less than all the same inventors who filed and signed the oath or declaration in the prior application. This addition is necessary in view of the new provisions of 35 U.S.C. 120, as amended by Public Law 98-622, which permit continuing applications to be filed by different inventors. Under § 1.62, additional inventors may be added only in applications in which a new oath or declaration is required because additional subject matter is being claimed. Paragraph (h) has been amended to also request applicants to furnish the title of the invention and the names of the applicants in the continuing application to permit the Office to enter this information in its records in the Application Branch.

Section 1.78 is amended to provide in paragraph (a) that the inventorship in the continuing application may be different from the inventorship in the prior copending application and that the prior application must disclose the invention claimed in at least one claim of the later filed application in the manner provided by the first paragraph of 35 U.S.C. 112. The requirement that at least one claim be fully supported in the prior application to be entitled to priority benefit is not new, but is included to serve as a reminder that information such as foreign patenting, publication, or public use or sale in the United States which occurred more than one year prior to the filing date of the later application is available as prior art where the claims of the continuation-in-part application are not fully supported by the disclosure of the parent application so as to be entitled to an earlier effective filing date under 35 U.S.C. 120. See *In re Ruscetta*, 255 F. 2d 687, 118 USPQ 101 (CCPA 1958); *In re van Langenhoven*, 458 F. 2d 132, 173 USPQ 426 (CCPA 1972), and *Chromalloy American Corp. v. Alloy Surfaces Inc.*, 339 F. Suppl. 859, 173 USPQ 295 (D. Del. 1972).

Paragraph (c) as amended provides for the reply to an examiner's inquiry as to first inventor of conflicting claims in commonly owned applications or an application and a patent to be either (1) a statement that the inventions were both commonly owned at the time the later invention was made or (2) an indication of the first inventor. Paragraph (c) has been changed from that proposed in response to comments to clarify that common ownership or an obligation of assignment to the same person has to exist at the time the later invention was made. New paragraph (d) provides for making a double patenting rejection where an application claims an invention which is not patentably distinct from an invention claimed in a commonly-owned patent with the same or different inventive entities. An obviousness-type double patenting rejection could be overcome by the assignee by submitting a terminal disclaimer complying with § 1.321(b).

Section 1.101 is amended as proposed to delete reference to applications filed under § 1.139 since this section is being removed.

Section 1.103 is amended as proposed to refer in paragraph (d) to a request "for a defensive publication" rather than a request "filed under § 1.139" since § 1.139 is being removed. Paragraph (d) is amended as proposed to also refer to patent interference proceedings under Subpart E" rather than to proceedings under § 1.201(b)" since § 1.201(b) has been removed.

Section 1.104 is amended as proposed to add a new paragraph (e) to specify the nature of the showing necessary before the examiner would consider co-pending applications to be owned by, or subject to an obligation of assignment to, the same person for purposes of 35 U.S.C. 102(f)/103, 102(g)/103, and paragraph (d) of § 1.106. The rule permits the necessary showing to be made in different alternative ways. The necessary showing will be considered by the examiner to be present if the application files refer to assignments which are recorded in the Patent and Trademark Office in accordance with § 1.331 as long as the assignments conveyed the entire rights in the applications to the same person or organization. A second alternative which can be used, if assignments have not been recorded, permits the examiner to consider copies of unrecorded assignments filed in each of the applications by the applicants as long as the unrecorded assignments convey the entire rights in the applications to the same person or organization. A third alternative permits an affidavit or declaration to be filed by the common owner stating that there is common ownership and stating facts which explain why the affiant or declarant believes there is common ownership. Under this alternative, sufficient facts will have to be presented in order to enable the examiner to conclude that a prima facie case of common ownership exists. The fourth alternative permits other evidence to be used which would establish common ownership of the applications, e.g., a court decision determining the owner. The terms "person" and "organization" in the rule would include circumstances where the ownership resided in more than one person and/or organization as long as the applications are owned jointly by the same owners. Paragraph (e) also provides that where the common owner is a corporation or other organization an affidavit or declaration averring common ownership may be signed by an official of the corporation or organization who is empowered to act on behalf of the corporation or organization. A mere power of attorney to prosecute a patent application will not make an individual an official of the corporation or organization or empower the individual to act on behalf of the corporation or organization.

The wording of § 1.106(d) amends the rule to reflect the change in 35 U.S.C. 103 and refers to the "entire" rights to the subject matter and the claimed invention to make it clear that the term "commonly owned" means wholly owned by the same person, persons, or organization.

If the person, persons, or organization owned less than 100 percent of the subject matter which would otherwise be prior art to the claimed invention, or less than 100 percent of the claimed invention, then common ownership would not exist. Common ownership requires that the person, persons, or organization own 100 percent of the subject matter and 100 percent of the claimed invention. As long as principal ownership rights to either the subject matter or the claimed invention reside in different persons or organizations common ownership does not exist. A license of the claimed invention to another by the owner where basic ownership rights are retained would not defeat ownership. The requirement for common ownership at the time the claimed invention was made is intended to preclude obtaining ownership of subject matter after the claimed invention was made in order to disqualify that subject matter as prior art against the claimed invention. The question of whether common ownership exists at the time the claimed invention was made is to be determined on the basis of the evidence presented and the facts of the particular case in question. Actual ownership of the subject matter and the claimed invention by the same individual or organization or a legal obligation to assign both the subject matter and the claimed invention to the same individual or organization must be in existence at the time the claimed invention was made in order for the subject matter to be disqualified as prior art. A moral or unenforceable obligation would not evidence common ownership.

The burden of establishing that subject matter is disqualified as prior art under the section is intended to be placed and reside upon the person or persons urging that the subject matter is disqualified. For example, the examiner would normally make what appears to be a proper 35 U.S.C. 102(f)/103 or 102(g)/103 rejection and the burden would be on the patent applicant to establish that subject matter is disqualified as prior art because it was commonly owned at the time the claimed invention was made. To place the burden upon the patent examiner would not be appropriate since evidence as to common ownership at the time the claimed invention was made might not be available to the patent examiner, but such evidence, if it exists, should be readily available to the patent applicant or the patentee.

The invention is made for purposes of the amendment to § 103 when the conception is complete as defined in *Mergenthaler v. Scudder*, 11 App. D.C. 264, 1897 C.D. 724 (C.A.D.C. 1897), and in *In re Tansel*, 117 USPQ 188 (CCPA 1958).

"The conception of the invention consists in the complete performance of the mental part of the inventive act. All that remains to be accomplished in order to perfect the act or instrument belongs to the department of construction, not invention. It is, therefore, the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice that constitutes an available conception within the meaning of the patent law."

Mergenthaler v. Scudder, supra, at page 731.

Paragraph (e) of § 1.106 has been added in response to a comment that the rulemaking should leave no doubt as to the standard to be applied in determining the effect of a statutory invention registration waiver in one application on a related application. Paragraph (e) of § 1.106 provides that the claims in any original application naming an inventor will be rejected as being precluded by a waiver in a published statutory invention registration naming that inventor if the same subject matter is claimed in the application and the statutory invention registration. Paragraph (e) of § 1.106 also provides that the claims in any reissue application naming an inventor will be rejected as being precluded by a waiver in a published statutory invention registration naming that inventor if the reissue application seeks to claim subject matter which was not covered by claims issued in the patent prior to the date of publication of the statutory invention registration and which was the same subject matter waived in the statutory invention registration.

Section 1.108 is amended as proposed to delete the reference to filing a request under § 1.139, which is being removed, and insert in its place a reference to a defensive publication.

A new section 1.110 is added as proposed to allow the examiner or other Office official to make inquiry as to the invention date, inventors and ownership at the time the invention was made when necessary for purposes of an Office proceeding.

Section 1.131 is amended to require that affidavits to overcome a rejection of a claim on a cited patent or publication be by the inventor or inventors of the subject matter of that claim. Section 1.131 has also been amended in response to a comment to permit the person qualified under §§ 1.42, 1.43, or 1.47 to make the required oath or declaration in appropriate circumstances.

Section 1.139 is being removed in view of the new statutory invention registration. The proposed rules made clear the intent to remove this section which established the defensive publication program although the section per se was not published as being removed. The defensive publication program is being replaced by the ability to obtain a statutory invention registration.

Section 1.193 is amended as proposed to change from twenty days to one month the time for filing a reply brief in response to an examiner's answer which raises new points of argument. This amendment is intended to simplify the docketing of this time period and make it consistent with the time period fixed for requesting an oral hearing in § 1.194(b).

Section 1.293 is added to provide who may file a request for a statutory invention registration (SIR) and the requirements of such a request in accordance with 35 U.S.C. 157 added by Public Law 98-622. Paragraph (a) of § 1.293 indicates that a request for publication of a statutory invention registration in

a complete pending patent application for an original patent may be filed and be signed by the applicant, and any assignee of record, or the attorney or agent of record in the application. Paragraph (b) sets forth the requirements for a request for a statutory invention registration. Such a request must include:

- (1) a waiver of the applicant's right to receive a patent. This waiver will become effective upon the date of publication. Therefore, it will be possible to petition to withdraw a request for publication of a statutory invention registration until such time that publication can not be terminated;
- (2) payment of the fee for requesting publication of a statutory invention registration as set forth in § 1.17(n) or (o). The fee is set at two levels to reflect the amount of resources used by the Patent and Trademark Office;
- (3) a statement that the application meets the disclosure requirements of 35 U.S.C. 112. This provision is considered desirable in order to prevent publication of defective and insufficient disclosures; and
- (4) a statement that the application complies with the formal requirements of the rules of practice relating to printing. This provision is required in order to provide the printer with drawings and specification which are suitable for printing in substantially the same format as a patent.

A suggested format for use in filing a request for a statutory invention registration is as follows:

Request for Statutory Invention Registration

Application Serial No. _____ or ☐ Attached hereto
Filed:
Titled:
Applicants:

- A. In the above identified patent application, I hereby
 1. request and authorize the Commissioner of Patents and Trademarks to publish the above identified regularly filed patent application as a Statutory Invention Registration. (35 U.S.C. 157)
 2. waive the right to receive a United States patent on the same invention claimed in the above identified patent application. These rights, which are waived, include those specified in 35 U.S.C. § 183 and §§ 271 through 289 as well as all attributes specified for patents in any other provision of law other than title 35 United States Code. The waiver includes, but is not limited to, the remedies under 19 U.S.C. 1337 and 1337a, 22 U.S.C. 2356 and 28 U.S.C. 1498. (35 U.S.C. 157(c))
 3. understand that the above waiver will be effective pursuant to 37 CFR 1.293 upon publication of the Statutory Invention Registration to waive the inventor's right to receive a United States patent on the invention claimed in the Statutory Invention Registration. (37 CFR 1.293(b) (1))
 4. state that, in my opinion, the disclosure and claims of the above identified patent application meet the requirements of 35 U.S.C. 112. (37 CFR 1.293(b) (3))
 5. state that, in my opinion, the above identified application complies with the requirements for printing as set forth in the Rules of Practice for Patent Cases, 37 CFR Part 1. (37 CFR 1.293(b) (4))
 6. enclose the fee set forth in 37 CFR 1.17(n) or (o) for requesting publication of a Statutory Invention Registration.
- ☐ A first examiner's action *has not* been mailed in the above application, 37 CFR 1.17(n) — \$400.00 or
☐ A first examiner's action *has* been mailed in the above application, 37 CFR 1.17(o) — \$800.00
 \$ _____

Minus Basic Filing Fee, if previously paid
 Small entity Large entity

Basic filing fee for utility patent application set forth in 37 CFR 1.16(a)	☐ \$150.00	☐ \$300.00
Basic filing fee for design patent application set forth in 37 CFR 1.16(f)	☐ \$62.50	☐ \$125.00

Basic filing fee for plant
patent application set
forth in 37 CFR 1.16(g)

☐ \$100.00 ☐ \$200.00

MINUS:\$

AmountDue\$

☐ Amount enclosed by check or money order

☐ Please charge Deposit Account No. _____ in
the amount of _____.

☐ If payment of any additional fee is required for publication
of the Statutory Invention Registration, charge such pay-
ment to Deposit Account No. _____.

B. For printing on the Statutory Invention Registration front
page list below the name(s) of not more than 3 registered
patent attorneys or agents OR alternatively, the name of the
firm having as a member a registered patent attorney or
agent. If no name is listed below, no name will be printed.

C. Name of assignee, if any, for printing on the Statutory
Invention Registration

Address (City and State or Country)

State of incorporation, if assignee is a corporation

signature(s) (37 CFR 1.293(a))

☐ applicant(s) and any assign
☐ attorney or agent of record

Paragraph (c) of § 1.293 is added to define the effects of
a waiver filed with a request for a statutory invention registration.
The waiver is effective, upon publication of the SIR, to waive
the inventor's right to receive a patent on the invention claimed
in the SIR in any application for an original patent which is
pending on, or filed after, the date of publication of the SIR.
The waiver will affect pending or later applications the inventor
filed as a joint inventor with others, but will not affect an
application of another person, even if the application and the
SIR were commonly owned. The waiver will affect a reissue
application of an earlier patent of the inventor only to the extent
that the reissue application seeks to enlarge the scope of the
claims. Paragraph (c) of § 1.293 has been modified from the
proposal by inclusion of a reference to § 1.106(e).

Section 1.294 is added as proposed to provide in paragraph
(a) for a review of the request for publication of a statutory
invention registration and the patent application to which it is
directed. The request will be examined to determine if the
requirements of § 1.293 have been met. The application to which
the request is directed will be examined to determine (1) if the
subject matter of the application is appropriate for publication,
(2) if the requirements for publication are met, and (3) if the
requirements of 35 U.S.C. 112 and § 1.293 are met. Under 35
U.S.C. 157, the Commissioner is authorized to publish a statu-
tory invention registration, but is not required to do so. Thus,
the Commissioner has discretion in determining whether or not
a statutory invention registration should be issued on a particular
patent. In circumstances where the subject matter was obviously
not a patentable invention, was too informal to print, and so forth,
the request to publish the statutory invention registration will
be refused.

Paragraph (b) of § 1.294 provides for notifying applicant of
the results of the examination of the request for publication of
the statutory invention registration. Paragraph (c) of § 1.294
provides for the issuance of a notice of the intent to publish a
statutory invention registration once the request has been ex-
amined and approved.

Section 1.295 is added to provide for the review of a final
refusal to publish a statutory invention registration. The review
would be by petition to the Commissioner for matters other than
those arising from a rejection pursuant to 35 U.S.C. 112 and
by appeal for a rejection pursuant to 35 U.S.C. 112. The language
of the final rule is slightly different from that proposed to
emphasize that the Board either affirms or reverses decisions
rather than rejections. Paragraph (a) also differs from the pro-
posal by including, in response to a comment, a provision for
requesting return of the petition fee if the necessity for the

petition resulted from an error by the Patent and Trademark
Office.

Section 1.296 has been modified from the proposal to provide
a specific period during which a request for a statutory invention
registration may be withdrawn. Under § 1.296, as modified, a
request for a statutory invention registration may be withdrawn,
at applicant's option, prior to the date of the notice of intent
to publish a statutory invention registration issued pursuant to
§ 1.294(c) by filing a request to withdraw the request for pub-
lication of a statutory invention registration. An applicant filing
such a request to withdraw may also, under § 1.296, request
a refund of any amount paid in excess of the application filing
fee and a handling fee of \$100.00 which will be retained by
the Office. Any request to withdraw the request for publication
of a statutory invention registration filed on or after the date
of the notice of intent to publish pursuant to § 1.294(c) must
be in the form of a petition pursuant to § 1.183 accompanied
by the fee set forth in § 1.17(h).

Section 1.297 is added to provide for the publication of the
statutory invention registration and of the notice of its publi-
cation in the *Official Gazette*. In response to a comment,
§ 1.297 has been modified so that the statement on the statutory
invention registration will specifically state that the statutory
invention registration is not a patent.

Sections 1.301, 1.302 and 1.304 are amended as proposed
to delete the requirement to give reasons for appeal when filing
an appeal to the Court of Appeals for the Federal Circuit in
accordance with § 414(a) of Public Law 98-620 which amended
35 U.S.C. 142, 143 and 144.

Section 1.378 is amended as proposed to delete from para-
graph (a) the limitation that only applications filed on or after
Aug. 27, 1982 may have the maintenance fee accepted after
expiration of the patent. This change follows the change made
by § 404(b) of Public Law 98-622.

Section 1.431 is amended as proposed to provide for the later
payment directly to the Receiving Office of the basic fee portion
of the international fee and the transmittal and search fees within
one month of the filing of an international application. The rule
follows § 361(d) of title 35 U.S.C. as amended by Public Law
98-622, to provide a one-month grace period from the date of
filing of an international application for the payment of the basic
international fee and the transmittal and search fees.

It should be noted that the designation fees continue to be
required by 12 months after the priority date and that no sub-
sequent grace period is provided in the Receiving Office for
designation fees.

New paragraphs 1.431(d) and (e) incorporate into the regu-
lations the provisions of PCT Rule 16 bis. Under these provisions
the Receiving Office will charge any unpaid or insufficient fees
to a deposit account maintained by the International Bureau.
The applicant will then be notified by the International Bureau
and be given one month to reimburse the amount charged plus
a surcharge of 50%. The surcharge would not be less than 248
Swiss francs or more than 624 Swiss francs under the current
fee schedule.

Section 1.445 is amended as proposed to clarify paragraph
(a) (4) to clearly indicate that the national fee is credited by an
amount of \$250 only one time where a \$500 search fee has been
paid to the Patent and Trademark Office to act as an international
searching authority. This is consistent with current practice. The
special fee provisions in paragraph (a) (5) are being deleted in
view of § 402(g) of Public Law 98-622 which deleted the fee
in 35 U.S.C. 376(a)(5). The wording of § 1.445(a) (5) sets forth
the surcharge required for filing of a national fee or oath or
declaration later than 20 months from the priority date. Para-
graph (a)(6) of § 1.445 is added to require a fee of \$20.00 for
filing an English translation of an international application later
than 20 months after the priority date. This makes the practice
in international applications consistent with that in national
applications where a fee of \$20.00 is charged under § 1.17(k)
for processing an application filed with a specification in a non-
English language.

Section 1.446 is amended as proposed to clarify the refund
of a portion of the \$500 search fee toward payment of the
national fee.

Section 1.451 is amended as proposed to correct a rule
citation in paragraph (b) and to amend paragraph (c) to provide
for supplying a copy of the priority document to the Receiving
Office in conformance with revised PCT Rule 17.1.

Section 1.461 is amended as proposed to delete provisions which relate to the applicant transmitting the record copy to the International Bureau. Provisions for such alternative transmittal were deleted from PCT Rule 22, effective Jan. 1, 1985. Accordingly, since the PCT rules no longer provide for such transmittal, the provisions therefor in the U.S. rules are also being deleted.

Response to Comments on the Rules

Specific comments were received on a number of the proposed rule changes. Six letters submitting written comments were received. Oral testimony was presented by four persons at the public hearing conducted on Feb. 8, 1985 and the oral testimony of two of these persons (representing the American Intellectual Property Law Association and Intellectual Property Owners, Inc.) was supplemented by written statements. All of the written and oral comments were considered in adopting the changes set forth herein. Comments suggesting modifications to the proposed rules appear below with responses thereto.

Comment:

One Comment suggested that 37 CFR 1.11 be amended to create a waiver of secrecy of an application as of the date of filing of a notice of appeal to the Court of Appeals for the Federal Circuit. The comment suggests that secrecy could be maintained upon request by the appellant in such a situation.

Reply:

The change was not published in the proposed rulemaking and is considered to be too substantial a change to be adopted without publication as a proposal to allow public comment. Further, if the suggestion were adopted appellants might simply include a request for secrecy with every notice of appeal.

Comment:

One comment suggested that the \$120.00 petition fee under § 1.17(h) for review of a refusal to publish a statutory invention registration under § 1.295 be returned to the petitioner if the refusal to publish is found to have occurred only through an administrative error of the PTO.

Reply:

This suggestion has been adopted by an additional sentence being added to § 1.295(a).

Comment:

Three comments suggested that the proposed fees for a statutory invention registration were too high. One comment suggested the elimination of the fee proposed in § 1.17(o).

Reply:

Although lower fees would certainly be preferred by the public, the Office must recover its costs of processing and publishing statutory invention registrations. The two levels of fees permit an applicant whose application has not had a first Office action mailed to pay a minimum amount while those filing a request for a statutory invention registration later would share the average additional costs. The amounts proposed are the current estimates of expected costs and cannot be reduced. This will become apparent when it is realized that about \$250.00 of the \$400.00 fee which has been established for requesting publication of a statutory invention registration prior to the mailing of the first examiner's action pursuant to § 1.104 is the cost of printing the statutory invention registration and does not include in-house publication staff costs. The remainder of the fee is used to cover the administrative processing costs and the limited examination which is required to be given pursuant to 35 U.S.C. 157. The higher fee of \$800.00 which has been established is necessary to cover the additional costs to the Office when an applicant requests publication of a statutory invention registration after the office has begun examination of the application on which the applicant is requesting publication of a statutory invention registration. Since the rules permit the request to be filed at any time during the examination process substantial additional examination costs, including possibly appeal costs, may have been incurred in a particular application prior to the date on which the request for publication is made. Accordingly, the additional \$400.00 is required to cover the extra costs to the Office where the applicant belatedly requests publication of a statutory invention registration. Applicants can avoid the higher costs to themselves and the Office by requesting publication of the statutory invention registration in a timely fashion prior to the mailing of the first examiner's action pursuant to § 1.104. The possibility of reducing fees below costs to the

Office does not exist since the legislative history of 35 U.S.C. 157 does not reflect any intent that other Office fees or appropriations be used to defer the costs of statutory invention registrations. Further, most of the comments received urged that the fees be set as low as possible, but not below the level necessary to recover costs.

Comment:

One comment suggested that the Patent and Trademark Office should investigate less expensive procedures for printing statutory invention registrations to reduce the costs and thereby lower the fees.

Reply:

If the registrations are not printed by a system using computer tape, the subject matter of the registrations would not be easily searchable in paper form and would not be fully available for searching under the planned automated "paperless" system. Further, the "section-by-section" analysis submitted for the Record by Representative Kastenmeier during discussion of H. R. 6286 on the floor of the House stated that the statutory invention registration "would be classified and cross-referenced, disseminated to foreign patent offices, stored in the Patent and Trademark Office computer tapes, made available in commercial data bases, and announced in the *Official Gazette* of the PTO." (130 Cong. Rec. H 10526 (1984), column 3). These uses of the statutory invention registrations preclude use of any informal method of printing which would be different from the method used for the printing of patents.

Comment:

A number of comments were received concerning § 1.48(b). The comments related to (1) the propriety of the fee required, (2) the incorporation of paragraph (b) into current § 1.48, (3) the inclusion in the rules of a fixed and definite time period to correct inventorship, (4) the inclusion in the rules of a provision to add inventors claiming previously disclosed but unclaimed subject matter, and (5) a suggestion that the change in inventorship be simplified and possibly effected by a statement by applicant's attorney.

Reply:

Each comment will be treated separately in order. (1) The fee of \$120.00 to accompany a petition for correction of inventorship is considered appropriate since the consideration of such a petition and correction of Office records takes additional resources. Such a fee should also act as a discouragement to grouping marginal inventions and loosely related inventions into the same application. (2) Whether paragraph (b) is made part of § 1.48 or established as a separate rule does not appear to be a substantive matter. Paragraph (b) is being made part of § 1.48 to place all rules relating to correction of inventorship in applications in a single rule. (3) No specific time period for correction of inventorship was indicated in the proposed rules. The rule requires that the correction must be made diligently. Since the examiner will not normally be aware of when inventorship correction is required, the responsibility of making such a correction diligently must rest with the applicant. The time of the correction will vary from case to case. (4) The addition of claims to previously disclosed but unclaimed subject matter of additional inventors is considered to be an error in the application and is therefore corrected under § 1.48(a). A new paragraph (c) has been added to § 1.48 to make this clear. Such a correction must always include a new oath or declaration. (5) The correction of inventorship has been simplified from that proposed. Final § 1.48(b) does not require a new oath or declaration of each actual inventor or written consent of any assignee as originally proposed. The final rule requires a petition including a statement identifying each named inventor who is being deleted and acknowledging that the inventor's invention is no longer being claimed in the application, and the fee set forth in § 1.17(h). The petition could be signed by applicant's attorney who would then take full responsibility for ensuring that the inventor is not being improperly deleted from the application.

Comment:

One comment suggested that proposed §§ 1.60 and 1.62 should be modified to permit the filing of such continuing applications with different inventive entities from the prior application.

Reply:

The procedures under §§ 1.60 and 1.62 were developed to allow continuing applications to be filed without the necessity

of again obtaining an inventor's signature to a declaration. The proposed rule wording has been modified in the final rule to permit inventors to be deleted in the continuing application. The addition of inventors is now permitted where a new oath or declaration would be required because of claims in the continuing application being drawn to additional subject matter.

Comment:

One comment suggested that §§ 1.77 and 1.78 be modified to change the placement in a patent application of the information regarding cross-reference to related applications. It was suggested to require this information to be placed immediately after the Abstract, following the claims, so that the cross-reference information could be easily removed when filing the application outside the United States.

Reply:

These changes were not included in the proposed rulemaking and therefore the public has not had an opportunity to comment on the suggestion. Accordingly, the suggestion has not been adopted.

Comment:

One comment suggested that proposed § 1.78(c) be modified to permit a statement that the claimed inventions were subject to an obligation of assignment to the same person at the time the inventions were made.

Reply:

The suggestion has been adopted.

Comment:

One comment suggested that the application of double patenting rejections to applications of different inventive entities which are commonly owned as set out in proposed § 1.78(d) not be made until the effective date of this rulemaking.

Reply:

The Commissioner's Notice of Dec. 11, 1984, "Initial Guidelines Implementing Changes in 35 U.S.C. 103, 116, and 120", 1050 O.G. 316 (Jan. 8, 1985), changed the practice in accordance with the intention of Congress in enacting Public Law 98-622. See 130 Cong. Rec. H 10527, column 3 (daily ed. Oct. 1, 1984) (statement of Rep. Kastenmeier) wherein the following statement appears:

"The Committee expects that the Patent and Trademark Office will reinstitute in appropriate circumstances the practice of rejecting claims in commonly owned applications of different inventive entities on the ground of double patenting. This will be necessary in order to prevent an organization from obtaining two or more patents with different expiration dates covering nearly identical subject matter. In accordance with established patent law doctrines, double patenting rejections can be overcome in certain circumstances by disclaiming the terminal portion of the term of the later patent, thereby eliminating the problem of extending patent life."

Since the provisions of Public Law 98-622 became effective on Nov. 8, 1984, it was not appropriate to delay the change in practice.

Comment:

One comment suggested that the policy of rejecting commonly-owned applications of different inventive entities on the grounds of double patenting, as set forth in proposed § 1.78(d), was unnecessary in view of 35 U.S.C. 102(e).

Reply:

The provisions of 35 U.S.C. 102(e) will not be effective to preclude double patenting in situations where the applicants of the later filed application can use the provisions of 37 CFR 1.131 to antedate the filing date of the earlier filed application or patent. Accordingly, the application of the prohibitions against double patenting is necessary in order to prevent an organization from obtaining two or more patents with different expiration dates covering nearly identical subject matter. See 130 Cong. Rec. H 10527, supra.

Comment:

One comment suggested that proposed § 1.78(c) was broader than required by statute and capable of being construed to conflict with proposed § 1.106(d) by referring to common ownership at "the time the inventions were made" rather than at the time the later invention was made.

Reply:

The wording of § 1.78(c) has been revised from the proposal to clarify the problem spoken to in the comment.

Comment:

One comment suggested that the proposed amendment to § 1.131 not be made so that the "applicant" can make affidavits or declarations to overcome rejections. The comment suggested that the proposed rule provides no remedy in situations where the inventor is dead, insane, legally incapacitated, cannot be reached or refuses to join in the application.

Reply:

The final rule has been changed in response to the comment to permit the person qualified under §§ 1.42, 1.43, or 1.47 to make the required oath or declaration in appropriate circumstances.

Comment:

Two comments suggested that the scope of the waiver in a statutory invention registration be limited to the subject matter of the claims of the statutory invention registration and not to any obvious modifications thereof. Another comment suggested that the statutory invention registration applicant should be able to waive the right to a patent on all of the subject matter disclosed in the application if he wishes to do so. One comment suggested that the rulemaking should leave no doubt as to the standard to be applied in determining the effect of a statutory invention registration waiver in one application on a related application.

Reply:

A new paragraph (e) has been added to § 1.106 to clarify the standard to be applied in determining the effect of a statutory invention registration waiver. The suggestion that the scope of the waiver be limited to the subject matter of the claims of the statutory invention registration and not to any obvious modifications thereof has been adopted.

Comment:

Three comments suggested that since a statutory invention registration is prior art as of its effective filing date, the time permitted between the effective filing date and the publication of the statutory invention registration should be limited. Several different approaches were suggested. One comment suggested that there was no problem in this regard. Another comment suggested that the organization is studying the question and will have recommendations in several months.

Reply:

The statute makes it clear that the Commissioner is not required to publish a statutory invention registration in response to a request therefor. The case-by-case consideration of requests for publication of a statutory invention registration should safeguard the public without unduly placing limits on patent applicants. The Office will await further recommendations on this question and will observe actual experience prior to placing any time limitations on the use of statutory invention registrations.

Comment:

Two comments suggested that § 1.293 be modified to eliminate the requirement for a statement in the request for publication of a statutory invention registration that the application meets the requirements of 35 U.S.C. 112. One of these comments also suggested the elimination of the statement that the application meets formal requirements for printing. One comment suggested that if there is a requirement for a statement in the request for publication of a statutory invention registration that the application meets the requirements of 35 U.S.C. 112, there will not be a great necessity for the Office to spend a lot of time examining the application, although there has to be some examination.

Reply:

The reason for the statements in § 1.293 regarding compliance with 35 U.S.C. 112 and the formal requirements for printing as a patent was to reduce the cost of statutory invention registrations to the applicants and to the Office. The level of fees which have been established assumes that applicants will include the statements required by § 1.293 in their requests and that the statements will accurately reflect the condition of the applications to which the requests are directed.

Comment:

One comment suggested that the rules should include a fixed and definite time period in which an authorized party can withdraw a statutory invention registration after its approval and before its publication.

Reply:

The suggestion has been adopted. Section 1.296 has been modified to permit a request to withdraw the request for publication of a statutory invention registration to be filed at any time prior to the date of the notice of intent to publish the statutory invention registration. After the date of the notice of intent to publish the statutory invention registration, any request to withdraw the request for publication of the statutory invention registration must be in the form of a petition pursuant to § 1.183 accompanied by the fee set forth in § 1.17(h).

Comment:

One comment suggested that the statement to be printed on statutory invention registrations as set out in proposed § 1.297(b) be modified to be easily understood by lay people.

Reply:

The statement has been modified to specifically state that the statutory invention registration is not a patent.

Environmental, Energy, and Other Considerations: The final rule change will not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). In fact, the rule change will benefit small entities since the statutory invention registration procedures will provide a new, less expensive alternative to the traditional patenting of inventions in appropriate circumstances. Further, the ability to join multiple inventors in a single application in appropriate circumstances will be of particular benefit to small entities. Other changes, such as the elimination of the reasons for appeal, will also be beneficial to all inventors. See a "section-by-section" analysis submitted for the Record by Representative Kastenmeier during discussion of H.R. 6286 on the floor of the House in which the following statement appears (130 Cong. Rec. H 1057 (1984), column 1):

"Last, the SIR would be particularly useful to those with limited resources such as universities and small businesses, who have a new less expensive alternative to the traditional patenting of inventions."

These rules, therefore, will have no significant adverse economic impact on small entities.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The information collection requirements contained in these rules were submitted to the Office of Management and Budget (OMB) at the time of the proposed rulemaking for review under Section 3504(h) of the Paperwork Reduction Act. OMB has approved the information collection requirements and has assigned OMB control number 0651—0018 thereto.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interests, Courts, Inventions and patents, Lawyers.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, Pub. L. 98—620 and 98—622, the Patent and Trademark Office is amending Title 37 of the Code of Federal Regulations as set forth below.

1. Section 1.11 is amended by revising paragraphs (a) and (b) and adding new paragraph (e) to read as follows:

§ 1.11 Files open to the public.

- (a) After a patent has been issued or a statutory invention registration has been published, the specification, drawings and all papers relating to the case in the file of the patent or statutory invention registration are open to inspection by the public, and copies may be obtained upon paying the fee therefor. See § 2.27 for trademark files.
- (b) All reissue applications, all applications in which the Office has accepted a request to open the complete application to inspection by the public, and related papers in the application file, are open to inspection by the public, and copies may be furnished upon paying the fee therefor. The filing of reissue applications will be announced in the *Official Gazette*. The announcement shall include at least the filing date, reissue application and original patent numbers, title, class and subclass, name of the inventor, name of the owner of record, name of the attorney or agent of record, and examining group to which the reissue application is assigned.

- (e) The file of any interference involving a patent, a statutory invention registration, or an application on which a patent has issued or which has been published as a statutory invention registration, is open to inspection by the public, and copies may be obtained upon paying the fee therefor, if: (1) the interference has terminated, or (2) an award of priority or judgment has been entered as to all parties and all counts.

2. Section 1.14 is amended by revising paragraph (b) to read as follows:

§ 1.14 Patent applications preserved in secrecy.

- (b) Except as provided in § 1.11(b) abandoned applications are likewise not open to public inspection, except that if an application referred to in a U.S. patent, or in an application in which the applicant has filed an authorization to open the complete application to the public, is abandoned and is available, it may be inspected or copies obtained by any person on written request, without notice to the applicant.

3. Section 1.17 is amended by revising paragraphs (h) and by adding new paragraphs (n) and (o) to read as follows:

§ 1.17 Patent application processing fees.

- (h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$120.00

- § 1.47 — for filing by other than all the inventors or a person not the inventor
- § 1.48 — for correction of inventorship
- § 1.182 — for decision on questions not specifically provided for
- § 1.183 — to suspend the rules
- § 1.295 — for review of refusal to publish a statutory invention registration
- § 1.37 — for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent
- § 1.378(e) — for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent
- § 1.644(e) — for petition in an interference
- § 1.644(f) — for request for reconsideration of a decision on petition in an interference
- § 1.666(c) — for late filing of interference settlement agreement

- §§ 5.12,
5.13, &
5.14 — for expedited handling of foreign filing license
§ 5.15 — for changing the scope of a license
§ 5.25 — for retroactive license

- (n) For requesting publication of a statutory invention registration prior to the mailing of the first examiner's action pursuant to § 1.104 \$400.00 reduced by the amount of the application basic filing fee paid
- (o) For requesting publication of a statutory invention registration after the mailing of the first examiner's action pursuant to § 1.104 \$800.00 reduced by the amount of the application basic filing fee paid

4. Section 1.19 is amended by revising paragraphs (a) and (e) to read as follows:

§ 1.19 Document supply fees.

The Patent and Trademark Office will supply copies of the following documents upon payment of the fees indicated:

- (a) Uncertified copies of Office documents:
- (1) Printed copy of a patent, including a design patent, statutory invention registration, or defensive publication document, except color plant patent. \$1.00

- (e) List of patents in subclass:

- (1) For list of all United States patents and statutory invention registrations in a subclass, per 100 numbers or fraction thereof 2.00
- (2) For list of United States patents and statutory invention registrations in a subclass limited by date or number, per 50 numbers or fraction thereof 2.00

5. Section 1.20 is amended by revising paragraphs (e), (f), (g) and (m) to read as follows:

§ 1.20 Post-issuance fees.

- (e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980 and before August 27, 1982, in force beyond 4 years; the fee is due by three years and six months after the original grant \$200.00
- (f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980 and before August 27, 1982, in force beyond 8 years; the fee is due by seven years and six months after the original grant 400.00
- (g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980 and before August 27, 1982, in force beyond 12 years; the fee is due by eleven years and six months after the original grant 600.00

- (m) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable 500.00

6. Section 1.45 is revised by labeling the existing paragraph as (a) and by adding new paragraphs (b) and (c) to read as follows:

§ 1.45 Joint inventors.

- (a) *****
- (b) Inventors may apply for a patent jointly even though
- (1) they did not physically work together or at the same time,
 - (2) each inventor did not make the same type or amount of contribution, or
 - (3) each inventor did not make a contribution to the subject matter of every claim of the application.
- (c) If multiple inventors are named in an application, each named inventor must have made a contribution, individually or jointly, to the subject matter of at least one claim of the application and the application will be considered to be a joint application under 35 U.S.C. 116.

7. Section 1.48 is amended by labeling the current paragraph as paragraph (a) and by adding new paragraphs (b) and (c) to read as follows:

§ 1.48 Correction of inventorship.

- (a) *****
- (b) If the correct inventors are named in the application when filed and the prosecution of the application results in the amendment or cancellation of claims so that less than all of the originally named inventors are the actual inventors of the invention being claimed in the application, an amendment shall be filed deleting the names of the person or persons who are not inventors of the invention being claimed. The amendment must be diligently made and shall be accompanied by:

- (1) a petition including a statement identifying each named inventor who is being deleted and acknowledging that the inventor's invention is no longer being claimed in the application, and
- (2) the fee set forth in § 1.17(h).

- (c) If an application discloses unclaimed subject matter by an inventor or inventors not named in the application, the application may be amended pursuant to paragraph (a) of this section to add claims to the subject matter and name the correct inventors for the application. [OMB Control No. 0651-0018].

8. Section 1.60 is revised to read as follows:

§ 1.60 Continuation or divisional application for invention disclosed in a prior application.

- (a) A continuation or divisional application (filed under the conditions specified in 35 U.S.C. 120 or 121 and § 1.78(a)), naming as inventors the same or less than all the inventors named in a prior application and which discloses and claims only subject matter disclosed in the prior application may be filed as a separate application before the patenting or abandonment of or termination of proceedings on the prior application.
- (b) An applicant may omit signing of the oath or declaration in a continuation or divisional application if (1) the prior application was a complete application as set forth in {g49 1.51(a), (2) applicant files a true copy of the prior complete application as filed including the specification (including claims), drawings, oath or declaration showing the signature or an indication it was signed, and any amendments referred to in the oath or declaration filed to complete the prior application, and (3) the inventors named in the continuation or divisional application are the same or less than all the inventors named in the prior application. The copy of the prior application must be accompanied by a statement that the application papers filed are a true copy of the prior application and that no amendments referred to in the oath or declaration filed to complete the prior application introduced new matter therein. Such statement must be by

the applicant or applicant's attorney or agent and must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. Only amendments reducing the number of claims or adding a reference to the prior application (§ 1.78(a)) will be entered before calculating the filing fee and granting the filing date. If the continuation or divisional application is filed by less than all the inventors named in the prior application a statement must accompany the application when filed requesting deletion of the names of the person or persons who are not inventors of the invention being claimed in the continuation or divisional application.

9. Section 1.61 is amended by revising the section heading and paragraphs (a) and (b) and adding paragraphs (c) and (d) to read as follows:

§ 1.61 Filing of applications in the United States of America as a Designated Office.

- (a) To maintain the benefit of the international filing date and obtain an examination as to the patentability of the invention in the United States, the applicant shall furnish to the U.S. Patent and Trademark Office not later than the expiration of 20 months from the priority date: (1) a copy of the international application with any amendments under PCT Article 19, unless it has been previously communicated by the International Bureau or unless it was originally filed in the U.S. Patent and Trademark Office; (2) a translation of the international application and a translation of any amendments under PCT Article 19 into the English language, if originally filed in another language; (3) the national fee (see § 1.445(a)(4)); and (4) an oath or declaration of the inventor (see § 1.70).
- (b) If the translation of the international application, oath or declaration, and national fee have not been submitted by the applicant within twenty (20) months from the priority date, such requirements may be met within twenty-two (22) months from the priority date. The payment of the surcharge set forth in § 1.445(a)(5) is required as a condition for accepting the national fee or the oath or declaration later than 20 months after the priority date. The payment of the processing fee set forth in § 1.445(a)(6) is required for acceptance of an English translation later than 20 months after the priority date. Failure to comply with these requirements will result in abandonment of the application. The provisions of § 1.136 do not apply to the 22 month period of this section.
- (c) If a copy of the amendments under PCT Article 19 is not communicated by the International Bureau or a copy thereof and any necessary English translation thereof is not received by the end of 20 months from the priority date, such failure will be regarded as cancellation of the amendments under PCT Article 19 in the international application.
- (d) Verification of the translation of the international application or any other document pertaining to an international application may be required where it is considered necessary, if the international application or other document was filed in a language other than English.

10. Section 1.62 is amended by revising paragraphs (a), (c) and (h) to read as follows:

§ 1.62 File wrapper continuing procedure.

- (a) A continuation, continuation-in-part, or divisional application, which uses the specification, drawings and oath or declaration from a prior complete application (§ 1.51(a)) which is to be abandoned, may be filed before the payment of the issue fee, abandonment of, or termination of proceedings on the prior application. The filing date of an application filed under this section is the date on which a request is filed for an application under this section including identification of the Serial Number, filing date, and applicant's name of the prior complete application. If the continuation, continuation-in-part, or divisional application is filed by less than all the inventors named in the prior application a statement must accompany the application

when filed requesting deletion of the names of the person or persons who are not inventors of the invention being claimed in the continuation, continuation-in-part, or divisional application.

- (c) In the case of a continuation-in-part application which adds and claims additional disclosure by amendment, an oath or declaration as required by § 1.63 must also be filed. In those situations where a new oath or declaration is required due to additional subject matter being claimed, additional inventors may be named in the continuing application. In a continuation or divisional application which discloses and claims only subject matter disclosed in a prior application, no additional oath or declaration is required and the application must name as inventors the same or less than all the inventors named in the prior application.

- (h) The applicant is urged to furnish the following information relating to the prior and continuing applications to the best of his or her ability:

- (5) The title of the invention and names of the applicants to be named in the continuing application.

11. Section 1.78 is amended by revising paragraphs (a) and (c) and by adding a new paragraph (d) to read as follows:

§ 1.78 Claiming benefit of earlier filing date and cross-references to other applications.

- (a) An application may claim an invention disclosed in a prior filed copending national application or international application designating the United States of America. In order for an application to claim the benefit of a prior filed copending national application, the prior application must name as an inventor at least one inventor named in the later filed application and disclose the named inventor's invention claimed in at least one claim of the later filed application in the manner provided by the first paragraph of 35 U.S.C. 112. In addition, the prior application must be (1) complete as set forth in § 1.51, or (2) entitled to a filing date as set forth in § 1.53(b) and include the basic filing fee set forth in § 1.16; or (3) entitled to a filing date as set forth in § 1.53(b) and have paid therein the processing and retention fee set forth in § 1.21(1) within the time period set forth in § 1.53(d). Any application claiming the benefit of a prior filed copending national or international application must contain or be amended to contain in the first sentence of the specification following the title a reference to such prior application, identifying it by serial number and filing date or international application number and international filing date and indicating the relationship of the applications. Cross-references to other related applications may be made when appropriate. (See § 1.14(b)).

- (c) Where two or more applications, or an application and a patent naming different inventors and owned by the same party contain conflicting claims, and there is no statement of record indicating that the claimed inventions were commonly owned or subject to an obligation of assignment to the same person at the time the later invention was made, the assignee may be called upon to state whether the claimed inventions were commonly owned or subject to an obligation of assignment to the same person at the time the later invention was made, and if not, indicate which named inventor is the prior inventor. In addition to making said statement, the assignee may also explain why an interference should or should not be declared.
- (d) Where an application claims an invention which is not patentably distinct from an invention claimed in a com-

monly owned patent with the same or a different inventive entity, a double patenting rejection will be made in the application. An obviousness-type double patenting rejection may be obviated by filing a terminal disclaimer in accordance with § 1.321(b).

12. Section 1.101 is amended by revising paragraph (a) to read as follows:

§ 1.101 Order of examination.

- (a) Applications filed in the Patent and Trademark Office and accepted as complete applications are assigned for examination to the respective examining groups having the classes of inventions to which the applications relate. Applications shall be taken up for examination by the examiner to whom they have been assigned in the order in which they have been filed except for those applications in which examination has been advanced pursuant to § 1.102. International applications which have complied with the requirements of 35 U.S.C. 371(c) will be taken up for action based on the date on which such requirements were met. However, unless a request has been filed under 35 U.S.C. 371(f), no action may be taken prior to 21 months from the priority date.

13. Section 1.103 is amended by revising paragraph (d) to read as follows:

§ 1.103 Suspension of action.

- (d) Action on applications in which the Office has accepted a request to publish a defensive publication will be suspended for the entire pendency of these applications except for purposes relating to patent interference proceedings under Subpart E.

14. Section 1.104 is amended by adding a new paragraph (e) immediately following the Note to paragraph (d) to read as follows:

§ 1.104 Nature of examination; examiner's action.

- (e) Co-pending applications will be considered by the examiner to be owned by, or subject to an obligation of assignment to, the same person if (1) the application files refer to assignments recorded in the Patent and Trademark Office in accordance with § 1.331 which convey the entire rights in the applications to the same person or organization; or (2) copies of unrecorded assignments which convey the entire rights in the applications to the same person or organization are filed in each of the applications; or (3) an affidavit or declaration by the common owner is filed which states that there is common ownership and states facts which explain why the affiant or declarant believes there is common ownership; or (4) other evidence is submitted which establishes common ownership of the applications. In circumstances where the common owner is a corporation or other organization an affidavit or declaration may be signed by an official of the corporation or organization empowered to act on behalf of the corporation or organization.

15. Section 1.106 is amended by adding new paragraphs (d) and (e) to read as follows:

§ 1.106 Rejection of claims.

- (d) Subject matter which is developed by another person which qualifies as prior art only under 35 U.S.C. 102 (f) or (g) may be used as prior art under 35 U.S.C. 103 against a claimed invention unless the entire rights to the subject

matter and the claimed invention were commonly owned by the same person or organization or subject to an obligation of assignment to the same person or organization at the time the claimed invention was made.

- (e) The claims in any original application naming an inventor will be rejected as being precluded by a waiver in a published statutory invention registration naming that inventor if the same subject matter is claimed in the application and the statutory invention registration. The claims in any reissue application naming an inventor will be rejected as being precluded by a waiver in a published statutory invention registration naming that inventor if the reissue application seeks to claim subject matter (1) which was not covered by claims issued in the patent prior to the date of publication of the statutory invention registration and (2) which was the same subject matter waived in the statutory invention registration.

16. Section 1.108 is revised to read as follows:

§ 1.108 Abandoned applications not cited.

Abandoned applications as such will not be cited as references except those which have been opened to inspection by the public following a defensive publication.

17. Section 1.110 is added to read as follows:

§ 1.110 Inventorship and date of invention of the subject matter of individual claims.

When more than one inventor is named in an application or patent, the Patent and Trademark Office, when necessary for purposes of an Office proceeding, may require an applicant, patentee, or owner to identify the inventive entity of the subject matter of each claim in the application or patent. Where appropriate, the invention dates of the subject matter of each claim and the ownership of the subject matter on the date of invention may be required of the applicant, patentee or owner. See also §§ 1.78(c) and (d). [OMB Control No. 0651-0018].

18. Section 1.131 is amended by revising paragraph (a) to read as follows:

§ 1.131 Affidavit or declaration of prior invention to overcome cited patent or publication.

- (a) When any claim of an application or a patent under reexamination is rejected on reference to a domestic patent which substantially shows or describes but does not claim the rejected invention, or on reference to a foreign patent or to a printed publication, and the inventor of the subject matter of the rejected claim, the owner of the patent under reexamination, or the person qualified under §§ 1.42, 1.43 or 1.47, shall make oath or declaration as to facts showing a completion of the invention in this country before the filing date of the application on which the domestic patent issued, or before the date of the foreign patent, or before the date of the printed publication, then the patent or publication cited shall not bar the grant of a patent to the inventor or the confirmation of the patentability of the claims of the patent, unless the date of such patent or printed publication is more than one year prior to the date on which the inventor's or patent owner's application was filed in this country.

§ 1.139 [removed]

19. Section 1.139 is removed.

20. Section 1.193 is amended by revising paragraph (b) to read as follows:

§ 1.193 Examiner's answer.

- (b) The appellant may file a reply brief directed only to such new points of argument as may be raised in the examiner's answer, within one month from the date of such answer. However, if the examiner's answer states a new ground of rejection appellant may file a reply thereto within two months from the date of such answer; such reply may include any amendment or material appropriate to the new ground.

* * * * *

21. A new section 1.293 is added to read as follows:

§ 1.293 Statutory invention registration.

- (a) An applicant for an original patent may request, at any time during the pendency of applicant's pending complete application, that the specification and drawings be published as a statutory invention registration. Any such request must be signed by (1) the applicant and any assignee of record or (2) an attorney or agent of record in the application.
- (b) Any request for publication of a statutory invention registration must include the following parts:
- (1) a waiver of the applicant's right to receive a patent on the invention claimed effective upon the date of publication of the statutory invention registration;
 - (2) the required fee for filing a request for publication of a statutory invention registration as provided for in § 1.17(n) or (o);
 - (3) a statement that, in the opinion of the requester, the application to which the request is directed meets the requirements of 35 U.S.C. 112; and
 - (4) a statement that, in the opinion of the requester, the application to which the request is directed complies with the formal requirements of this part for printing as a patent.
- (c) A waiver filed with a request for a statutory invention registration will be effective, upon publication of the statutory invention registration, to waive the inventor's right to receive a patent on the invention claimed in the statutory invention registration, in any application for an original patent which is pending on, or filed after, the date of publication of the statutory invention registration. A waiver filed with a request for a statutory invention registration will not affect the rights of any other inventor even if the subject matter of the statutory invention registration and an application of another inventor are commonly owned. A waiver filed with a request for a statutory invention registration will not affect any rights in a patent to the inventor which issued prior to the date of publication of the statutory invention registration unless a reissue application is filed seeking to enlarge the scope of the claims of the patent. See also § 1.106(e). [OMB Control No. 0651-0018].

22. A new section 1.294 is added to read as follows:

§ 1.294 Examination of request for publication of a statutory invention registration and patent application to which the request is directed.

- (a) Any request for a statutory invention registration will be examined to determine if the requirements of § 1.293 have been met. The application to which the request is directed will be examined to determine (1) if the subject matter of the application is appropriate for publication, (2) if the requirements for publication are met, and (3) if the requirements of 35 U.S.C. 112 and § 1.293 of this part are met.
- (b) Applicant will be notified of the results of the examination set forth in paragraph (a) of this section. If the requirements of § 1.293 and this section are not met by the request filed, the notification to applicant will set a period of time within which to comply with the requirements in order to avoid abandonment of the application. If the application does not meet the requirements of 35 U.S.C. 112, the notification to applicant will include a rejection under the appropriate provisions of 35 U.S.C. 112. The periods for response established pursuant to this section are subject to the extension of time provisions of § 1.136. After response by

the applicant, the application will again be considered for publication of a statutory invention registration. If the requirements of § 1.293 and this section are not timely met, the refusal to publish will be made final. If the requirements of 35 U.S.C. 112 are not met, the rejection pursuant to 35 U.S.C. 112 will be made final.

- (c) If the examination pursuant to this section results in approval of the request for a statutory invention registration the applicant will be notified of the intent to publish a statutory invention registration.

23. A new section 1.295 is added to read as follows:

§ 1.295 Review of decision finally refusing to publish a statutory invention registration.

- (a) Any requester who is dissatisfied with the final refusal to publish a statutory invention registration for reasons other than compliance with 35 U.S.C. 112 may obtain review of the refusal to publish the statutory invention registration by filing a petition to the Commissioner accompanied by the fee set forth in § 1.17(h) within one month or such other time as is set in the decision refusing publication. Any such petition should comply with the requirements of § 1.181(b). The petition may include a request that the petition fee be refunded if the final refusal to publish a statutory invention registration for reasons other than compliance with 35 U.S.C. 112 is determined to result from an error by the Patent and Trademark Office.
- (b) Any requester who is dissatisfied with a decision finally rejecting claims pursuant to 35 U.S.C. 112 may obtain review of the decision by filing an appeal to the Board of Patent Appeals and Interferences pursuant to § 1.191. If the decision rejecting claims pursuant to 35 U.S.C. 112 is reversed, the request for a statutory invention registration will be approved and the registration published if all of the other provisions of § 1.293 and this section are met. [OMB Control No. 0651-0018].

24. A new section 1.296 is added to read as follows:

§ 1.296 Withdrawal of request for publication of statutory invention registration.

A request for a statutory invention registration, which has been filed, may be withdrawn prior to the date of the notice of the intent to publish a statutory invention registration issued pursuant to § 1.294(c) by filing a request to withdraw the request for publication of a statutory invention registration. The request to withdraw may also include a request for a refund of any amount paid in excess of the application filing fee and a handling fee of \$100 which will be retained. Any request to withdraw the request for publication of a statutory invention registration filed on or after the date of the notice of intent to publish issued pursuant to § 1.294(c) must be in the form of a petition pursuant to § 1.183 accompanied by the fee set forth in § 1.17(h). [OMB Control No. 0651-0018].

25. A new section 1.297 is added to read as follows:

§ 1.297 Publication of statutory invention registration.

- (a) If the request for a statutory invention registration is approved the statutory invention registration will be published. The statutory invention registration will be mailed to the requester at the correspondence address as provided for in § 1.33(a). A notice of the publication of each statutory invention registration will be published in the *Official Gazette*.
- (b) Each statutory invention registration published will include a statement relating to the attributes of a statutory invention registration. The statement will read as follows:

A statutory invention registration published pursuant to 35 U.S.C. 157 is not a patent but it has all of the attributes specified for patents in title 35, United States Code, except those specified in 35 U.S.C. 183 and sections 271 through 289. A statutory invention registration does not have any of the attributes specified for patents in any other provision

of law other than title 35, United States Code. The invention with respect to which a statutory invention registration is published is not a patented invention for purposes of the marking provisions of 35 U.S.C. 292.

26. Section 1.301 is revised to read as follows:

§ 1.301 Appeal to U.S. Court of Appeals for the Federal Circuit.

Any applicant or any owner of a patent involved in a reexamination proceeding dissatisfied with the decision of the Board of Patent Appeals and Interferences, and any party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences, may appeal to the U.S. Court of Appeals for the Federal Circuit. The appellant must take the following steps in such an appeal: (a) In the Patent and Trademark Office file a written notice of appeal directed to the Commissioner (see §§ 1.302 and 1.304); and (b) in the Court, file a copy of the notice of appeal and pay the fee for appeal, as provided by the rules of the Court. The certified list of documents and any original or certified copies of such documents required by the Court will be transmitted to the Court by the Patent and Trademark Office.

27. Section 1.302 is revised to read as follows:

§ 1.302 Notice of appeal.

- (a) When an appeal is taken to the U.S. Court of Appeals for the Federal Circuit, the appellant shall give notice thereof to the Commissioner within the time specified in § 1.304.
- (b) In interferences, the notice must be served as provided in § 1.646.

28. Section 1.304 is amended by revising paragraph (a) to read as follows:

§ 1.304 Time for appeal or civil action.

- (a) The time for filing the notice of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is sixty days from the date of the decision of the Board of Patent Appeals and Interferences. If a request for reconsideration or modification of the decision is filed within the time provided under § 1.197(b) or § 1.658(b), the time for filing an appeal or commencing a civil action shall expire at the end of the sixty-day period or thirty days after action on the request, whichever is later. Except for an appeal from or commencing a civil action after a decision of the Board of Patent Appeals and Interferences in a reexamination proceeding or an interference proceeding, the time periods set forth herein are subject to the provisions of § 1.136. See § 1.550(c) for extensions of time to appeal or commence a civil action in a reexamination proceeding. See § 1.645(a) for extensions of time to appeal or commence a civil action in an interference. An examiner-in-chief, upon a showing of excusable neglect, may extend the time for seeking judicial review of a decision of the Board of Patent Appeals and Interferences in an interference case when a request is untimely filed after expiration of the time prescribed by this section.

29. Section 1.378 is amended by revising the section heading and paragraph (a) to read as follows:

§ 1.378 Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.

- (a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable and if the surcharge required by § 1.20(m) is paid as a condition of accepting payment of the main-

tenance fee. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

- 30. Section 1.431 is amended by revising paragraphs (b)(3)(iii) and (c) and by adding new paragraphs (d) and (e) to read as follows:

§ 1.431 International application requirements.

- (b)(3) ***
 - (iii) The name of the applicant, as prescribed (note §§ 1.421-1.424);
- (c) Payment of the basic portion of the international fee (PCT Rule 15.2) and the transmittal and search fees (§ 1.445) may be made in full at the time international application papers required by paragraph (b) of this section are deposited or within one month thereafter. Failure to make full payment within one month of the deposit of the international application papers required by paragraph (b) of this section will result in the fees being charged to the International Bureau under the provisions of paragraph (d) of this section and PCT Rule 16 bis.
- (d) The United States Receiving Office will charge to the International Bureau in accordance with PCT Rule 16 bis and will consider as having been timely paid:
 - (1) the transmittal fee, the basic fee portion of the international fee, or the search fee where these fees have not been fully paid by the applicant within one month of the date of deposit of the international application, and
 - (2) the destination fee, or the amount necessary to cover all the designations made in the request which have not been paid by the applicant within one year from the priority date.
- (e) The International Bureau will notify applicant of any amount charged under paragraph (d) of this section and invite the applicant to pay directly to the International Bureau within one month from the date of the notification, the amount charged, augmented by a surcharge of 50%, provided the surcharge will not be less and will not be more, than the amounts indicated in the Schedule of Fees appended to the PCT Rules. If the payment needed to cover the transmittal fees, the basic fee, the search fee, one designation fee and the surcharge is not timely made to the International Bureau, the International Bureau will notify the Receiving Office which will declare the international application withdrawn under PCT Article 14(3)(a). If the applicant makes timely payment of the fees referred to in the previous sentence, but the amount paid is not sufficient to cover all the designation fees, the Receiving Office will declare any designation fees not paid withdrawn under PCT Article 14(3)(b) in accordance with PCT Rule 16 bis.2(c)

- 31. Section 1.455 is amended by revising paragraphs (a)(4) and (5) and adding paragraph (a)(6) to read as follows:

§ 1.445 International application filing and processing fees.

(a) ***

- (4) The national fee, that is, the amount set forth as the filing fee under § 1.16(a) through (d) credited one time only by an amount of \$250 where an international search fee of \$500.00 has been paid on the corresponding international application to the United States Patent and Trademark Office as an International Searching Authority. Where the amount of the credit is in excess of that required for the national fee, a request for a refund of the excess under § 1.44(b) may be filed at the time of paying the national fee. Only one such credit is permitted based on a single \$500.00 international search fee.

- (5) Surcharge for filing the national fee or oath or declaration later than 20 months from the priority date \$100.00
- (6) For filing an English translation of an international application later than 20 months after the priority date (§ 1.61(b)) \$20.00

32. Section 1.446 is amended by revising the section heading and paragraph (b) to read as follows:

§ 1.446 Refund of international application filing and processing fees.

(b) Refund of a portion of the search fee toward payment of the national fee may be made one time to the extent set forth in § 1.445(a)(4) if requested at the time of paying the national fee provided that a \$500 search fee has been paid.

33. Section 1.451 is amended by revising paragraphs (b) and (c) to read as follows:

§ 1.451 The priority claim and priority document in an international application.

(b) Whenever the priority of an earlier United States national application is claimed in an international, the applicant may request in a letter of transmittal accompanying the international application upon filing with the United States Receiving Office or in a separate letter filed in the Receiving Office not later than 16 months after the priority date, the Patent and Trademark Office prepare a certified copy of the national application for transmittal to the International Bureau (PCT Article 8 and PCT Rule 17). The fee for preparing a certified copy is stated in § 1.19(a)(3) and (b)(1).

(c) If a certified copy of the priority document is not submitted together with the international application on filing, or, if the priority application was filed in the United States and a request and appropriate payment for preparation of such a certified copy do not accompany the international application on filing or are not filed within 16 months of the priority date, the certified copy of the priority document must be furnished by the applicant to the International Bureau or to the United States Receiving Office within the time limit specified in PCT Rule 17.1(a).

34. Section 1.461 is amended by deleting paragraph (b) and by revising paragraph (a) to read as follows:

§ 1.461 Procedures for transmittal of record copy to the International Bureau.

(a) Transmittal of the record copy of the international application to the International Bureau shall be made by the United States Receiving Office.

(b) (reserved)

Feb. 14, 1985.

DONALD J. QUIGG,
*Acting Commissioner of
Patents and Trademarks.*

[1053 OG 10]

(146) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1, 5, and 10
[Docket No. 920779-2179]
RIN 0651-AA34

Miscellaneous Changes in Patent Practice

Agency: Patent and Trademark Office, Commerce

Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office (Office) is proposing to amend the rules of practice in patent cases to: expand the authority to sign a terminal disclaimer in a patent application or a disclaimer in a patent; allow an appellant appearing without counsel to file an appeal brief which is not in compliance with current 37 CFR 1.192(c); prohibit fee extensions of time to file: corrected drawings after allowance, reply briefs, and requests for oral hearing; clarify the requirements for claiming foreign priority; require that the specification of a design application describe the nature and intended use of the article being claimed; specify the manner in which additional fees are claimed; computed when applicants incorrectly claim small entity status; and correct errors in published regulations.

Dates: Written comments must be received on or before Nov. 5, 1992 to ensure consideration. A public hearing will not be conducted.

Address: Addresses written comments to the Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231, marked to the attention of Abraham HersHKovitz. Correspondence may be sent by FAX to the attention of Abraham HersHKovitz at (703) 305-8825.

For Further Information Contact: Abraham HersHKovitz by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: The specific revisions proposed are discussed below:

(1) Copies of Papers. (§ 1.13)

The proposed change to § 1.13(a) clarifies that the paragraph pertains to non-certified copies and that copies of patents, trademark registrations and other papers belonging to the Office may be obtained, provided those papers are located in the Office, as opposed to being located in another agency.

The purpose of the proposed amendment to § 1.13(b) is to clarify that certified copies of papers belonging to the Office may be obtained upon payment of the fee for a certified copy.

(2) Patent applications preserved in secrecy. (§ 1.14)

Section 1.14(b) is proposed to be amended to correct a typographical error in that the second paragraph of this section was inadvertently deleted during one of the earlier revisions of this section. See 50 FR at 9378 (March 7, 1985). The absence of the second paragraph went unnoticed until recently. It is proposed that § 1.14(b) be amended by including the previous language of the second paragraph and by changing in the first paragraph the plural "applicants" to the singular "applicant".

(3) Effect on fees of failure to establish status, or change status, as a small entity. (§ 1.28)

Section 1.28(c) is proposed to be modified to reflect Office practice in calculating fee deficiencies when fees have been improperly paid as a small entity. The Office receives deficiency payments that differ based on the submitter's interpretation of § 1.28(c): some simply double the small entity fee in effect when the fee was originally paid in error, while others compute the difference between the fee already paid and the large entity fee level in effect at the time the deficiency is paid. The Office requires payments to be based on fee levels in effect at the time of the deficiency payment.

Since 1989, fee levels have been adjusted annually. In view of these adjustments, there are frequently situations where the fee amount has changed since it was originally erroneously paid. Calculation of deficiency amounts based on fee levels in effect at the time the deficiency is paid conforms with the general concept that fees to be paid are those in effect at the time of receipt of the fees. For example:

- where an application is filed under § 1.53(b) without the filing fees that could have been paid at the time of filing the application, any increase in the filing fees prior to payment of the filing fees requires that the filing fees be paid at the higher fee level;

- where an amendment is filed outside the shortened statutory period set for response and an extension of time under § 1.136(a) is requested prior to a fee increase, the extension fee is the fee required under the old fee schedule. On the other hand, if the extension of time is requested after a fee increase, the extension of time fee necessary is the fee in effect at the time of payment of the fee, which in this case is the fee under a new fee schedule, rather than the one in effect at the time of expiration of the shortened statutory period for response.

Section 1.28(c) is proposed to be modified to more clearly reflect this practice of basing deficiency payments on the fee level in effect at the time of deficiency payment.

(4) Claim for foreign priority. (§ 1.55)

The purpose of the proposed amendment to § 1.55(a) is to incorporate the limitations of 35 U.S.C. 119, which provides that the claim for priority and the appropriate copy of the foreign application must be filed before the patent is granted. Some applicants did not realize that submission of priority papers after payment of the issue fee required the filing of a petition to accept late submission of priority papers before issuance of the patent. After a patent is granted, applicants may still be able to establish priority benefits by filing a reissue application to correct the failure to perfect the claim for priority. *Brenner v. State of Israel*, 400 F.2d 789, 158 USPQ 584 (D.C. Cir. 1968). The proposed changes in § 1.55(a) list separately the instances when priority documents must be filed to receive the benefit of the filing date of a prior foreign application. Furthermore, § 1.55(a) is proposed to be amended to clarify when a verified English translation of a priority application not in the English language must be filed and to require a statement from the translator indicating that the translation of the priority document is accurate.

(5) Claiming benefit of earlier filing date and cross references to other applications. (§ 1.78)

Section 1.78(a) is proposed to be amended to correct a typographical error. In the reference to § 1.21(1), the numeral (1) appears instead of the letter (l).

(6) Corrections to drawings. (§ 1.85)

Section 1.85(c) is proposed to be amended to indicate that the time for filing formal and corrected drawings required in the Notice of Allowability may no longer be extended under § 1.136(a). The delays in filing corrected drawings resulting from fee extensions of time create an inefficient operation in that issuance of patents is delayed. Furthermore, applicants' ability to transmit proposed drawings (as opposed to formal drawings intended to comply with §§ 1.81 and 1.83 through 1.85) by facsimile transmission, coupled with the fact that examiners will notify applicants at an early stage of any objection to the drawings, will diminish the need for obtaining fee extensions of time. Under the proposed practice, examiners will advise applicants of the need to file formal or corrected drawings at the earliest opportunity, usually in the first Office action. Applicants may postpone the filing of formal or corrected drawings until after the application is allowed by the examiner. The deadline for filing the formal or corrected drawings will be set at the time of mailing the Notice of Allowability. An extension of time may be requested under § 1.136(b) before the period set for response expires, provided applicants are able to show sufficient cause why the extension should be granted. The Office will continue to set a one-month time limit under § 1.135(c) for drawing corrections where the formal and corrected drawings submitted constitute a *bona fide*, but not completely acceptable, response to an Office requirement.

(7) Prohibition of fee extensions of time to file:

- (1) corrected drawings in allowed applications, § 1.85(c);
- (2) reply briefs, § 1.193(b); and (3) requests for oral hearing, § 1.194(b). (§ 1.136(a))

Section 1.136(a) is proposed to be amended by adding three additional situations in which applicants would no longer be able

to use fee extensions under § 1.136(a). Rearrangement of § 1.136(a) is proposed so that referenced sections appear in numerical order. The new prohibitions would apply to situations where the request to extend the time is: (1) to permit filing of corrected drawings in allowed applications in accordance with § 1.85(c), (2) to permit filing reply briefs under § 1.193(b), and (3) to permit filing requests for oral hearing under § 1.194(b) before the Board of Patent Appeals and Interferences. Fee extensions of time to file reply briefs or requests for oral hearing delay final disposition of the appeal, and in the case of a corrected drawing requirement, final disposition of the application.

The Office has considered changing the practice to require payment of the fee and filing the request for an extension of time before the period set for response expires in the situations addressed in this proposed rulemaking, but did not adopt that approach because of the complexity that it would introduce into the system.

Corrected drawings can presently be filed up to six months from an examiner's requirement (with a maximum three-month extension of time). It is proposed that this period be reduced to three months. A three-month period is deemed ample time to file corrected drawings. Since the Office no longer releases drawings for purposes of correction, see § 1.85(b), applicants no longer need time to allow bonded drafting companies to pick up, check out, correct, and return corrected drawings. Applicants have been encouraged to keep the master copy of the drawings for use in making corrections or copies. If the master copy was not kept, one option available to applicants is to inspect the Office application file, make copies of any drawings in the file and make any desired corrections on these copies before submission to the Office. Situations which present a hardship to applicants may be accommodated by filing a petition under § 1.182 to request transfer of drawings from an original application to a new related application or by filing a petition under § 1.183 to request that the provisions of § 1.85(b) be waived so that the drawings may be loaned out for the purpose of making drawing corrections.

Applicants may submit corrected drawings at any time, except where a specific deadline is set by the examiner. Consideration of proposed drawing corrections may be expedited by having informal drawings transmitted by FAX to the examiner. Further, corrected or formal drawings will be required by the examiner at the earliest opportunity, usually in the first Office action. Applicants may postpone filing formal or corrected drawings until after the examiner sets a deadline for such filing, usually in the Notice of Allowability. However, in doing so, applicants assume the risk of not having sufficient time to make the required corrections to overcome objections to the drawings. Therefore, an applicant should file corrected drawings as soon as possible.

Extensions of time for sufficient cause under § 1.136(b) will continue to be available in situations where extensions of time under § 1.136(a) are not available. Extensions of time under § 1.136(b) will be granted only if the request is filed before expiration of the period set for response and only upon a showing of sufficient cause why corrected drawings cannot be timely filed. A request made on the basis of preoccupation with meeting other deadlines, or that the applicant lives overseas, or other similar reasons may not be granted. Similarly, extensions of time may be available under § 1.550(c) in reexamination proceedings.

Under current rules, applicants may file reply briefs or request oral hearings up to six months after an examiner's answer (with a maximum four-month extension of time under § 1.136(a)). Since the backlog of cases awaiting a decision by the Board of Patent Appeals and Interferences has been reduced, these extension requests have resulted in diminished efficiency by prolonging the pendency of applications. The periods specified in §§ 1.193(b) and 1.194(b) are considered sufficient to file a reply brief or request an oral hearing. Therefore, § 1.136(a) is proposed to be amended to prohibit fee extensions of time to file a reply brief or request an oral hearing.

(8) Title, description and claim, oath or declaration. (§ 1.153)

Section 1.153(a) is proposed to be amended to include a requirement that the specification of a design patent application include a clear description of the nature and intended use of the article. A description has not been required in most design

applications because the title has been relied on to identify the article in which the design is embodied. However, the nature and intended use of many articles are not readily apparent from the title and the drawing. For example, a design application may be directed to a self-locking insert. Often it is not clear, even from the drawing, how the insert is used or where it should be classified for search and documentation purposes.

This problem is currently being addressed, in Patent Examining Group 290, by mailing a request for information to an applicant prior to the first Office action where the nature or intended use of the article is not evident. About 3,000 such requests were mailed in fiscal year 1991, covering more than 90% of the design applications that were screened for a useful description.

(9) Arrangement of specification. (§ 1.154)

Section 1.154 is proposed to be amended to be consistent with the proposed changes to § 1.153 by including a reference to the requirement for a description of the nature and intended use of the article claimed.

(10) Appeal to the Board of Patent Appeals and Interferences. (§ 1.191)

Section 1.191(d) is proposed to be amended to be consistent with the proposed changes to § 1.136.

(11) Appellant's brief. (§ 1.192)

Sections 1.192(a) and (d) are proposed to be amended by moving the last sentence of current § 1.192(d) to § 1.192(a) to highlight that the Board may refuse consideration of any arguments or authorities not included in the brief.

Section 1.192(c) is proposed to be amended to provide that in a case of a pro se appellant, an appellant appearing without counsel, a brief may be acceptable even though it does not comply with all the requirements of current paragraph (c). An appellant appearing without counsel means there is no attorney or agent of record in the application, the brief was not prepared by a registered practitioner, and the brief was not signed by a registered practitioner. It is proposed to amend paragraph (c) to allow a pro se appellant's brief to be accepted provided it is at least in substantial compliance with the requirements of subparagraphs (1), (2), (6) and (7) of current paragraph (c). If a pro se appellant's brief is accepted, it will be presumed that a rejected group of claims stand or fall together unless an argument is included in the brief that presents reasons as to why appellant considers the rejected group of claims to be separately patentable.

(12) Examiner's answer. (§ 1.193)

Section 1.193(b) is proposed to be amended to clarify the consequence of failure to file a reply brief in response to a new ground of rejection made in an examiner's answer. The failure to file a reply brief will result in dismissal of the appeal as to the claims made subject to the new ground of rejection. If the dismissal of the appeal applies to all claims in the application, the application will be abandoned. Additionally, this section is proposed to be amended to be consistent with the proposed changes to § 1.136.

(13) Oral hearing. (§ 1.194)

Section 1.194(b) is proposed to be amended to be consistent with the proposed changes to § 1.136. Under the current rule, if new grounds of rejection are first made in an examiner's answer, two months are permitted for filing a reply brief and, if a reply brief is filed, an applicant is permitted three months after the date of filing a reply brief to file a request for an oral hearing. In order to provide a more consistent approach vis-a-vis time periods for filing reply briefs and requests for oral hearing and to permit earlier decisions of issues on appeal, it is proposed that the three-month period specified in § 1.194(b) for filing a request for oral hearing be changed to the later of (1) one month from the date of an examiner's answer, or (2) the date of filing a timely reply brief. This period should be sufficient to request an oral hearing. It is further proposed that § 1.194(b) be revised to correct the spelling of the word "reply".

(14) Decision by the Board of Patent Appeals and Interferences. (1.196)

Section 1.196(f) is proposed to be amended to refer to § 1.550(c) for extensions of time in reexamination proceedings.

(15) Action following decision (§ 1.197)

Section 1.197(b) is proposed to be amended to refer to § 1.550(c) for extensions of time in reexamination proceedings.

(16) Amendments after allowance. (§ 1.312)

The purpose of the proposed amendment to § 1.312(b) is to clarify that the fee required for a petition under this section is that specified in § 1.17(i) (1).

(17) Persons other than the owner permitted to sign a disclaimer as specified in § 1.321.

Section 253 of Title 35 of the United States Codes states that disclaimer of any complete claim in a patent may be made by the patentee. Furthermore, any terminal part of the patent granted or to be granted may be disclaimed by the patentee, or applicant, respectively. It is the current policy of the Office to accept disclaimers only if signed by the owner of record. This policy is too restrictive in that it precludes authorized patent practitioners from signing disclaimers. Furthermore, it is often difficult to ascertain whether the person signing is in fact an officer of the entity owning rights to the application.

The rules allow authorized persons other than the applicant to sign most papers filed in an application. See § 1.33(a)(2)-(5). The requirement that a disclaimer be signed by the owner of record of an application or patent is a departure from the general practice of permitting a registered attorney or agent to sign a wide variety of papers filed in applications and patents, such as amendments, a notice of appeal to the Board of Patent Appeals and Interferences or the Court of Appeals for the Federal Circuit, and amendments and papers in reexamination proceedings.

It is proposed that persons permitted to sign a disclaimer in a patent be the patentee, or an attorney or agent of record, whereas, persons permitted to sign a disclaimer in a patent application be any person specified in § 1.33(a)(1)-(4). The person signing the disclaimer must state the present extent of the disclaiming party's (i.e., patentee's or assignee's) interest in the patent or patent application. Naturally, a disclaimer signed on behalf of a party who no longer has an ownership interest in the patent or patent application cannot be accepted since 35 U.S.C. 253 requires a disclaimer to be signed by the owner of the whole or any sectional interest in the patent or patent application.

If the patent or patent application is assigned to an organization, such as a corporation, partnership, university, Government agency, or similar entity, the disclaimer may be signed by an officer of the organization empowered to act on behalf of the organization. If the person signing is not an officer of the organization, a statement will be required indicating that the person signing was authorized to sign on behalf of the organization. The statement must be a verified statement if made by a person not registered to practice before the Office. Verification may be made by way of a declaration in accordance with § 1.68.

Paragraph (a) of this section is further proposed to be amended to deal only with disclaimers filed in patents. The Office does not record a disclaimer of part of a claim or claims. Hence, paragraph (a) of this section is proposed to be amended to indicate that a disclaimer which does not disclaim a complete claim or claims will be refused recordation, rather than "may be refused recordation" as the rule currently reads.

Paragraph (b) of this section, as proposed, deals only with terminal disclaimers filed in a patent application. Section 1.321(b) is also proposed to be amended to include a reminder that the disclaimer is binding upon the grantee and its successors or assigns.

Proposed new paragraph (c) of this section would incorporate the language of current paragraph (b) of this section dealing with terminal disclaimers to obviate a double patenting rejection and also include reference to terminal disclaimers filed in reexamination proceedings for the same purpose.

(18) Publication of notice of proposed amendments. (§ 1.352(a))

The purpose of the amendment to § 1.352(a) is to delete the language "and in other cases whenever practicable" so that the Office may engage in expedited rulemaking when publication of notice of proposed amendments to regulations is not required by law.

(19) Time for Payment of maintenance fees. (§ 1.362)

The purpose of the amendment to § 1.362 is to clarify applicability and due dates for payment of maintenance fees. Paragraph (c)(3) of § 1.362 indicates that the actual filing date of a continuing application determines applicability of maintenance fees, while paragraph (c)(4) indicates that in the case of a reissue application, the filing date of the original non-reissue application determines applicability of maintenance fees. Some patentees and patent practitioners expressed confusion with respect to applicability of maintenance fees in the case of a continuing reissue application of a reissue application. Uncertainty has been expressed as to whether this type of application would fall within paragraph (c)(3) or (c)(4). The amendment to § 1.362(c)(4) is proposed in order to clarify that a continuing application of a reissue application is subject to maintenance fees only if the original (non-reissue) patent would be subject to such fees. These amendments also remove any confusion that may have existed with regard to the due dates for payment of maintenance fees in reissued patents by adding § 1.362(h) to specify that the due dates for payment of maintenance fees in such reissued patents are computed from the date of grant of the original (non-reissue) patent.

In a notice published on December 13, 1991, in the Federal Register at 56 FR 65142, the Office announced an amendment to its rules of practice. Included in that notice, was a change to paragraph (e) of § 1.362 which was not intended. See 56 FR at 65146. It is proposed that the portion of paragraph (e) which was not intended to be amended, be changed back to its earlier version.

(20) International preliminary examination fees. (§ 1.482)

Section 1.482(a) is proposed to be amended to correct a typographical error in the spelling of the word "under".

(21) Request by applicant for interference with patent. (§ 1.1607)

Section 1.607(a)(5)(i) is proposed to be amended to correct a typographical error in the spelling of the word "count".

(22) Export of technical data. (§ 5.19)

Section 5.19(a) is proposed to be amended to correct the citations set forth in the rule and to update the name of the office in the Department of Commerce that established 15 CFR 770.10(j).

(23) Sharing legal fees. (§ 10.48)

Section 10.48(b) is proposed to be amended to correct a typographical error in the spelling of the word "deceased".

OTHER CONSIDERATIONS

The proposed rule changes are in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these proposed changes is to permit persons other than the assignee of a patent application or patent to sign certain disclaimers, incorporate existing Office policy into the regulations and eliminate the opportunity to pay for extensions of time in certain situations where the extensions substantially interfere with the efficient operation of the Office.

The Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individuals; industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These proposed rule changes, except as noted below, contain a collection of information requirements subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, which has previously been approved by the Office of Management and Budget under Control No. 0651-0011. Proposed § 1.153 would require a design specification to present a clear description of the nature and use of the article. Public reporting burden for this collection of information is estimated to average two (2) minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Abraham Herschkovitz by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503. Project No. 0651-0011.

List of Subjects**37 CFR Part 1**

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements.

37 CFR Part 5

Classified information, Exports, Foreign relations, Inventions and patents.

37 CFR Part 10

Administrative practice and procedure, Conflicts of interest, Courts, Inventions and patents, Lawyers.

For the reasons set out in the preamble and pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, it is proposed to amend 37 CFR Parts 1, 5 and 10 as follows, wherein deletions are indicated by brackets ([]) and additions by arrows (►):

Part - Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.13 is proposed to be revised to read as follows:

§ 1.13 Copies and certified copies.

(a) [Copies] ►Non-certified copies◄ of patents and trademark registrations and of any records, books, papers, or drawings belonging to ► and located in ◄ the Patent and Trademark Office and open to the public, will be furnished by the Patent and Trademark Office to any person, and copies of other records or papers will be furnished to persons entitled thereto, upon payment of the fee therefor.

(b) [Such] ►Certified◄ copies will be authenticated by the seal of the Patent and Trademark Office and certified by the Commissioner, or in his name attested by an officer of the Patent and Trademark Office authorized by the Commissioner, upon

payment of the fee for the ►certified copy◄ [authentication certificate in addition to the fee for the copies].

3. Section 1.14, paragraph (b) is proposed to be revised as follows:

§ 1.14 Patent applications preserved in secrecy.

(b) Except as provided in § 1.11(b) abandoned applications are likewise not open to public inspection, except that if an application referred to in a U.S. patent, or in an application in which the [applicants] ►applicant◄ has filed an authorization to open the complete application to the public, is abandoned and is available, it may be inspected or copies obtained by any person on written request, without notice to the applicant. ►Complete applications (§ 1.51(a)) which are abandoned may be destroyed after 20 years from their filing date, except those to which particular attention has been called and which have been marked for preservation. Abandoned applications will not be returned.◄

4. Section 1.28, paragraph (c) is proposed to be revised as follows:

§ 1.28 Effect on fees of failure to establish status, or change status, as a small entity.

(c) If status as a small entity is established in good faith, and fees as a small entity are paid in good faith, in any application or patent, and it is later discovered that such status as a small entity was established in error or that through error the ►Patent and Trademark◄ Office was not notified of a change in status as required by paragraph (b) of this section, the error will be excused:

(1) if any deficiency between the amount paid and the amount due is paid within three months after the date the error occurred or

(2) if any deficiency between the amount paid and the amount due is paid more than three months after the date the error occurred and the payment is accompanied by a [verified] statement explaining how the error in good faith occurred and how and when [it] ►the error◄ was discovered. ►The statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office. The deficiency is based on the amount due at the time the deficiency is paid in full.◄

5. Section 1.55, paragraph (a) is proposed to be revised to read as follows:

§ 1.55 Claim for foreign priority.

(a) An applicant may claim the benefit of the filing date of a prior foreign application under the conditions specified in 35 U.S.C. 119 and 172. The claim to priority need be in no special form and may be made by the attorney or agent if the foreign application is referred to in the oath or declaration as required by § 1.63. The claim for priority and the certified copy of the foreign application specified in the second paragraph of 35 U.S.C. 119 must be filed ►:

(1)◄ in the case of an interference (§ 1.630);

► (2)◄ when necessary to overcome the date of a reference relied upon by the examiner; or

► (3)◄ when specifically required by the examiner; and

► (4)◄ in all other cases, ►[they must be filed]◄ not later than the date the issue fee is paid.

► If the claim for priority or the certified copy of the foreign application is filed after the date the issue fee is paid, it must be filed before the patent is granted and must be accompanied by a petition requesting entry of late priority papers and the fee set forth in § 1.17(i)(1).◄ If the papers filed are not in the English

language, a translation need not be filed except in the [three particular instances specified in the preceding sentence] ►case of an interference; or when necessary to overcome the date of a reference relied upon by the examiner; or when specifically required by the examiner◄, in which event [a sworn] ►an English◄ translation [or a translation certified as accurate by a sworn or official translator] must be filed ►together with a statement that the translation of the priority papers is accurate. The statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office.◄ [If the priority papers are submitted after the date the issue fee is paid, they must be accompanied by a petition requesting their entry and the fee set forth in § 1.17(i)(1).]

6. Section 1.78, paragraph (a) is proposed to be revised to read as follows:

§ 1.78 Claiming benefit of earlier filing date and cross references to other applications.

(a) An application may claim an invention disclosed in a prior filed copending national application or international application designating the United States of America. In order for an application to claim the benefit of a prior filed copending national application, the prior application must name as an inventor at least one inventor named in the later filed application and disclose the named inventor's invention claimed in at least one claim of the later filed application in the manner provided by the first paragraph of 35 U.S.C. 112. In addition, the prior application must be

(1) complete as set forth in § 1.51 [,] ►;◄ or

(2) entitled to a filing date as set forth in § 1.53(b) and include the basic filing fee set forth in § 1.16; or

(3) entitled to a filing date as set forth in § 1.53(b) and have paid therein the processing and retention fee set forth in § 1.21 [(1)] ► (1)◄ within the time period set forth in § 1.53(d). Any application claiming the benefit of a prior filed copending national or international application must contain or be amended to contain in the first sentence of the specification following the title a reference to such prior application, identifying it by serial number and filing date or international application number and international filing date and indicating the relationship of the applications. Cross-references to other related applications may be made when appropriate. (See § 1.14(b)).

7. Section 1.85, paragraph (c) is proposed to be revised to read as follows:

§ 1.85 Corrections to drawings.

(c) When corrected drawings are required to be submitted at the time of allowance, the applicant is required to submit acceptable drawings within three months from the mailing of [the] ►a◄ "Notice of Allowability." [Within that three-month period, two weeks should be allowed for review of the drawings by the Drafting Branch.] If the Office finds that correction is necessary, the applicant must submit a new corrected drawing to the Office within the original three-month period to avoid ►abandonment of the application◄ [the necessity of obtaining an extension of time and paying the extension fee.] Therefore, the applicant should file corrected drawings as soon as possible following the receipt of the ►"◄ "Notice of Allowability." ► The provisions with respect to obtaining an extension of time ►under § 1.136(b) relate◄ [relates] only to the late filing of corrected drawings. The time limit for payment of the issue fee is a fixed three-month period which cannot be extended as set forth in 35 U.S.C. 151.

8. Section 1.136, paragraph (a) is proposed to be revised to read as follows:

§ 1.136 Filing of timely responses with petition and fee for extension of time and extensions of time for cause.

(a) If an applicant is required to respond within a nonstatutory or shortened statutory time period, applicant may respond up to four months after the time period set if a petition for an extension of time and the fee set in § 1.17 are filed prior to or with the response, unless

- (1) applicant is notified otherwise in an Office action,
- (2) the response is a submission of corrected drawings required in the "Notice of Allowability" (see § 1.85(c)),
- (3) the response is a reply brief submitted pursuant to § 1.193(b),
- (4) the response is a request for an oral hearing submitted pursuant to § 1.194(b),
- (5) the response is to a decision by the Board of Patent Appeals and Interferences pursuant to §§ 1.196, 1.197 or 1.304, or
- (6) the application is involved in an interference declared pursuant to § 1.611 [or (3) the response is to a decision by the Board of Patent Appeals and Interferences pursuant to §§ 1.196, 1.197 or 1.304].

The date on which the response, the petition, and the fee have been filed is the date of the response and also the date for purposes of determining the period of extension and the corresponding amount of the fee. The expiration of the time period is determined by the amount of the fee paid. In no case may an applicant respond later than the maximum time period set by statute, or be granted an extension of time under paragraph (b) of this section when the provisions of this paragraph are available. See § 1.136(b) for extensions of time to file corrected drawings under § 1.85(c) and for extensions of time relating to proceedings pursuant to §§ 1.193(b), 1.194, 1.196 or [§] 1.197 [,]. See § 1.304 for extension of time to appeal to the U.S. Court of Appeals for the Federal Circuit or to commence a civil action [,]. See § 1.645 for extension of time in interference proceedings and § 1.550(c) for extension of time in reexamination proceedings.

9. Section 1.153, paragraph (a) is proposed to be revised to read as follows:

§ 1.153 Title, description and claim, oath or declaration.

(a) The title of the design must designate the particular article. [No description, other than a reference to the drawing, is ordinarily required.] The specification must present a clear description of the nature and intended use of the article. The claim shall be in formal terms to the ornamental design for the article (specifying name) as shown, or as shown and described. More than one claim is neither required nor permitted.

10. Section 1.154, paragraph (c) is proposed to be revised to read as follows:

§ 1.154 Arrangement of specification.

(c) Description, [if any] including the nature and intended use of the article (see § 1.153(a)).

11. Section 1.191, paragraph (d) is proposed to be revised to read as follows:

§ 1.191 Appeal to Board of Patent Appeals and Interferences.

(d) The time periods set forth in §§ 1.191 and 1.192 are subject to the provisions of § 1.136 for patent applications and § 1.550(c) for reexamination proceedings. The time periods

set forth in §§ [1.191 through] 1.193, 1.194, 1.196 and 1.197 are subject to the provisions of § 1.136 (b) for patent applications or § 1.550(c) for reexamination proceedings. See § 1.304(a) for extensions of time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action.

12. Section 1.192, paragraphs (a), (c) and (d) are proposed to be revised to read as follows:

§ 1.192 Appellant's brief.

(a) The appellant shall, within 2 months from the date of the notice of appeal under § 1.191 in an application, reissue application, or patent under reexamination, or within the time allowed for response to the action appealed from, if such time is later, file a brief in triplicate. The brief must be accompanied by the requisite fee set forth in § 1.17(f) and must set forth the authorities and arguments on which the appellant will rely to maintain the appeal. Any arguments or authorities not included in the brief may be refused consideration by the Board of Patent Appeals and Interferences.

(c) The brief shall contain the following items under appropriate headings and in the order here indicated unless the brief is filed by an appellant appearing without counsel wherein the brief will be accepted as complying with this paragraph provided it is at least in substantial compliance with the requirements of paragraph c(1), (2), (6) and (7):

(1) *Status of claims.* A statement of the status of all the claims, pending or cancelled, and identifying the claims appealed.

(2) *Status of amendments.* A statement of the status of any amendment filed subsequent to final rejection.

(3) *Summary of invention.* A concise explanation of the invention defined in the claims involved in the appeal, which shall refer to the specification by page and line number, and to the drawing, if any, by reference characters.

(4) *Issues.* A concise statement of the issues presented for review.

(5) *Grouping of claims.* For each ground of rejection which appellant contests and which applies to more than one claim, it will be presumed that the rejected claims stand or fall together unless a statement is included that the rejected claims do not stand or fall together, and in the appropriate part or parts of the argument under paragraph (c)(6) of this section appellant presents reasons as to why appellant considers the rejected claims to be separately patentable.

(6) *Argument.* The contentions of the appellant with respect to each of the issues presented for review in paragraph (c)(4) of this section, and the basis therefor, with citations of the authorities, statutes, and parts of the record relied on. Each issue should be treated under a separate heading.

(i) For each rejection under 35 U.S.C. 112, first paragraph, the argument shall specify the errors in the rejection and how the first paragraph of 35 U.S.C. 112 is complied with, including, as appropriate, how the specification and drawings, if any,

(A) Describe the subject matter defined by each of the rejected claims,

(B) Enable any person skilled in the art to make and use the subject matter defined by each of the rejected claims, and

(C) Set forth the best mode contemplated by the inventor of carrying out his or her invention.

(ii) For each rejection under 35 U.S.C. 112, second paragraph, the argument shall specify the errors in the rejection and how the claims particularly point out and distinctly claim the subject matter which applicant regards as the invention.

(iii) For each rejection under 35 U.S.C. 102, the argument shall specify the errors in the rejection and why the rejected claims are patentable under 35 U.S.C. 102, including any specific limitations in the rejected claims which are not described in the prior art relied upon in the rejection.

(iv) For each rejection under 35 U.S.C. 103, the argument shall specify the errors in the rejection and, if appropriate, the specific limitations in the rejected claims which are not described in the prior art relied on in the rejection, and shall explain how such limitations render the claimed subject matter unobvious over the prior art. If the rejection is based upon a combination of references, the argument shall explain why the references, taken as a whole, do not suggest the claimed subject matter, and shall include, as may be appropriate, an explanation of why features disclosed in one reference may not properly be combined with features disclosed in another reference. A general argument that all the limitations are not described in a single reference does not satisfy the requirements of this paragraph.

(v) For any rejection other than those referred to in paragraphs (c)(6)(i) to (iv) of this section, the argument shall specify the errors in the rejection and the specific limitations in the rejected claims, if appropriate, or other reasons, which cause the rejection to be in error.

(7) *Appendix.* An appendix containing a copy of the claims involved in the appeal.

(d) If a brief is filed which does not comply with [all] the requirements of paragraph (c) of this section, the appellant will be notified of the reasons for non-compliance and provided with a period of one month within which to file an amended brief. If the appellant does not file an amended brief during the one-month period, or files an amended brief which does not overcome all the reasons for non-compliance stated in the notification, the appeal will be dismissed. [Any arguments or authorities not included in the brief may be refused consideration by the Board of Patent Appeals and Interferences.]

13. Section 1.193, paragraph (b) is proposed to be revised to read as follows:

§ 1.293 Examiner's answer.

(b) The appellant may file a reply brief directed only to such new points of argument as may be raised in the examiner's answer, within one month from the date of such answer. The new points of argument shall be specifically identified in the reply brief. If the examiner determines that the reply brief is not directed only to new points of argument raised in the examiner's answer, the examiner may refuse entry of the reply brief and will so notify the appellant. If the examiner's answer states a new ground of rejection, the appellant [may] must file a reply thereto within two months from the date of such answer to avoid dismissal of the appeal as to the claims subjected to the new ground of rejection; such reply may be accompanied by any amendment or material appropriate to the new ground. See § 1.136(b) for extensions of time for filing a reply brief in a patent application and § 1.550(c) for extensions of time in a reexamination proceeding.

14. Section 1.194, paragraph (b) is proposed to be revised to read as follows:

§ 1.194 Oral hearing.

(b) If appellant desires an oral hearing, appellant must file a written request for such hearing accompanied by the fee set forth in § 1.17(g) within one month after the date of the examiner's answer. If the examiner's answer states a new ground of rejection and if appellant files a reply as provided for by § 1.193(b), then the written request must be made [within three months after the date of the filing of the reply] at the time of filing the reply provided for by § 1.193(b), or within one month from the date of an examiner's answer. If appellant requests an oral hearing and submits therewith the fee set forth in § 1.17(g), an oral argument may be presented by, or on behalf of, the primary examiner if considered desirable by either the primary examiner or the Board. See § 1.136(b) for extensions of time for

requesting an oral hearing in a patent application and § 1.550(c) for extensions of time in a reexamination proceeding.

15. Section 1.196, paragraph (f) is proposed to be revised to read as follows:

§ 1.196 Decision by the Board of Patent Appeals and Interferences

(f) See § 1.136(b) for extensions of time to take action under this section in a patent application and § 1.550(c) for extensions of time in a reexamination proceeding.

16. Section 1.197, paragraph (b) is proposed to be revised to read as follows:

§ 1.197 Action following decision.

(b) A single request for reconsideration or modification of the decision may be made if filed within one month from the date of the original decision, unless the original decision is so modified by the decision on reconsideration as to become, in effect, a new decision, and the Board of Patent Appeals and Interferences so states. The request for reconsideration shall state with particularity the points believed to have been misapprehended or overlooked in rendering the decision and also state all other grounds upon which reconsideration is sought. See [37 CFR] § 1.136(b) for extensions of time for seeking reconsideration in a patent application and § 1.550(c) for extensions of time in a reexamination proceeding.

17. Section 1.312, paragraph (b) is proposed to be revised to read as follows:

§ 1.312 Amendments after allowance.

(b) Any amendment pursuant to paragraph (a) of this section filed after the date the issue fee is paid must be accompanied by a petition including the fee set forth in § 1.17(i)(1) and a showing of good and sufficient reasons why the amendment is necessary and was not earlier presented.

18. Section 1.321 is proposed to be revised to read as follows:

§ 1.321 Statutory disclaimer.

(a) A patentee owning the whole or any sectional interest in a patent may disclaim any complete claim or claims in a patent. Such disclaimer is binding upon the grantee and its successors or assigns. The disclaimer, to be recorded in the Patent and Trademark Office, must:

(1) be signed by the patentee, or an attorney or agent of record;

(2) identify the patent and complete claim or claims being disclaimed;

(3) state the present extent of patentee's ownership interest in the patent; and

(4) be accompanied by the fee set forth in § 1.20(d). [A disclaimer under 35 U.S.C. 253 must be accompanied by the fee set forth in § 1.20(d) and identify the patent and the claim or claims which are disclaimed, and be signed by the person making the disclaimer, who shall state therein the extent of his or her interest in the patent.] A disclaimer which is not a disclaimer of a complete claim or claims [may] will be refused recordation. A notice of the disclaimer is published in the *Official Gazette* and attached to the printed copies of the specification. In like manner any patentee [or applicant] may disclaim or dedicate to the public the entire term, or any terminal part of the term, of the patent granted [or to be granted].

(b) An applicant or assignee may disclaim or dedicate to the public the entire term, or any terminal part of the term, of a patent

to be granted. Such terminal disclaimer is binding upon the grantee and its successors or assigns. The terminal disclaimer, to be recorded in the Patent and Trademark Office, must:

- (1) be signed as provided in § 1.33(a)(1)-(4);
 - (2) specify the portion of the term of the patent being disclaimed;
 - (3) state the present extent of applicant's or assignee's ownership interest in the patent to be granted; and
 - (4) be accompanied by the fee set forth in § 1.20(d).
- (c) A terminal disclaimer, when filed [in an application] to obviate a double patenting rejection in a patent application or in a reexamination proceeding, must [be accompanied by the fee set forth in § 1.20(d) and] comply with the provisions of paragraph (b) of this section and also include a provision that any patent granted on that application or any patent subject to that reexamination proceeding shall be enforceable only for and during such period that said patent is commonly owned with the application or patent which formed the basis for the rejection.

19. Section 1.352 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.352 Publication of notice of proposed amendments.

(a) Whenever required by law, [and in other cases whenever practicable,] notice of proposed amendments to the regulations in this part will be published in the *Official Gazette* and in the *FEDERAL REGISTER*. If not published with the notice, copies of the text will be furnished to any person requesting the same. All comments, suggestions, and briefs received within a time specified in the notice will be considered before adoption of the proposed amendments which may be modified in the light thereof.

20. Section 1.362 is proposed to be amended by revising paragraphs (c)(4) and (e) and adding paragraph (h) to read as follows:

§ 1.362 Time for payment of maintenance fees.

(c) ***
(4) For a reissue application, including a continuing application claiming the benefit of a reissue application under 35 USC 120, the United States filing date of the original non-reissue application on which the patent reissued is based.

- (e) Maintenance fees may be paid with the surcharge set forth in § 1.20(h) during the repespective grace periods after:
- ▶(1) 3 years and 6 months and through the day of the 4th anniversary of the grant for the first maintenance fee.
 - (2) 7 years and 6 months and through the day of the 8th anniversary of the grant for the second maintenance fee, and
 - (3) 11 years and 6 months and through the day of the 12th anniversary of the grant for the third maintenance fee.
- [(1) 3 years through 3 years and 6 months after grant for the first maintenance fee,
- (2) 7 years through 7 years and 6 months after grant for the second maintenance fee, and
 - (3) 11 years through 11 years and 6 months after grant for the third maintenance fee.]

▶(h) The periods specified in §§ 1.362(d) and (e) with respect to a reissue application, including a continuing application thereof, are counted from the date of grant of the original non-reissue application on which the reissued patent is based.

21. Section 1.482, paragraph (a) introductory text is proposed to be revised to read as follows:

§ 1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner [unde] ▶under◀ the authority of 35 U.S.C. 376:

22. Section 1.607, paragraph (a)(5)(i) is proposed to be revised to read as follows:

§ 1.607 Request by applicant for interference with patent.

- (a) ***
 - (5) ***
 - (i) Identified as corresponding to the [court] ▶count◀ and
- *****

Part 5- Classified Information, Exports, Foreign Relations, Inventions and Patents.

23. The authority citation for 37 CFR Part 5 would continue to read as follows:

Authority: 35 U.S.C. 6, 41, 181-188, as amended by the Patent Law Foreign Filing Amendments Act of 1988, Pub. L. 100-418, 102 Stat. 1567; the Arms Export Control Act, as amended, 22 U.S.C. 2751 *et seq.*, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 *et seq.*, and the Nuclear Non-Proliferation Act of 1978, 22 U.S.C. 3201 *et seq.*, and the delegations in the regulations under these acts to the Commissioner (15 CFR 370.10(j), 22 CFR 125.04, and 10 CFR 810.7).

24. Section 5.19, paragraph (a) is proposed to be revised to read as follows:

§ 5.19 Export of technical data.

(a) Under regulations [(15 CFR 370.10(j))] ▶(15 CFR 770.10(j))◀ established by the U.S. Department of Commerce, [International Trade] ▶Bureau of Export◀ Administration, Office of Export [Administration] ▶Licensing◀, a validated export license is not required in any case to file a patent application or part thereof in a foreign country if the foreign filing is in accordance with the regulations (37 CFR 5.11 through [5.23] ▶5.33◀) of the Patent and Trademark Office.

Part 10 - Representation of Others Before the Patent and Trademark Office

25. The authority citation for 37 CFR Part 10 would continue to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

26. Section 10.48, paragraph (b) is proposed to be revised to read as follows:

§ 10.48 Sharing legal fees.

(b) A practitioner who undertakes to complete unfinished legal business of a [deceased] ▶deceased◀ practitioner may pay to the estate of the deceased practitioner that proportion of the total compensation which fairly represents the services rendered by the deceased practitioner.

Sept. 14, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and Acting
Commissioner of Patents and Trademarks

(147) Establishing Common Ownership of Patent Applications and/or Patents Owned by a Corporation or Other Organization

This notice is intended to simplify the practice of establishing common ownership of patent applications and/or patents in circumstances where the common owner is a corporation or other organization. Under 37 CFR 1.104(e), in order to establish common ownership "[i]n circumstances where the common owner is a corporation or other organization an affidavit or declaration may be signed by an official of the corporation or organization empowered to act on behalf of the corporation or organization." A mere power of attorney to prosecute a patent application does not make an individual an official of a corporation or organization or empower the individual to act on behalf of the corporation or organization in making an affidavit or declaration averring to common ownership. However, such an affidavit could be made by a patent attorney, patent agent, or other individual if the attorney, agent, or other individual has been appointed in writing by the corporation or organization as an official of the corporation or organization specifically empowered to make affidavits or declarations on its behalf averring to common ownership. In circumstances where such a written appointment has been given to a patent attorney, patent agent, or other individual, that person *could then make affidavits or declarations averring to common ownership as long as the affidavit or declaration referred to an attached copy of the written appointment and averred that the authority is still in effect.* Under this practice the original signed copy of the written appointment would be retained by the affiant or declarant unless the Patent and Trademark Office specifically required it to be filed. Unless some question arose as to the authority of the individual to make the averment as to common ownership, the Patent and Trademark Office would ordinarily not need to require the original signed copy of the written appointment. While this practice should simplify the establishing of common ownership by necessitating only one original signed written appointment, corporations and other organizations must exercise care that the written appointment is only given to those persons who are in a position to know that common ownership does in fact exist and can therefore properly make affirmative representations to that effect to the Patent and Trademark Office.

May 12, 1986.

DONALD J. QUIGG,
*Assistant Secretary
and Commissioner of
Patent and Trademarks.*

[1067 OG 11]

**(148) U.S. Department of Commerce
Patent and Trademark Office
Special Status for Patent Applications
Relating to Superconductivity**

On Commercial Applications of Superconductivity, the President stated that "We need to strengthen patent laws to increase protection for manufacturing processes and speed up the patent process so that it can keep pace with the fast-paced world of high technology." The President also noted that "*to most of us laymen, superconductivity was a completely new term, but it wasn't long before we learned of the great promise it held out to alter our world for the better — a quantum leap in energy efficiency that would bring with it a host of benefits, not least among them a reduced dependence on foreign oil, a cleaner environment, and a stronger national economy.*" The President's Superconductivity Initiative of even date included, as a major administrative component, a proposal "Directing the Patent and Trademark Office to accelerate the processing of patent applications and adjudication of disputes involving superconductivity technologies when requested by the applicants to do so."

In accordance with the President's proposal, the Patent and Trademark Office will, on request, accord "special" status to all patent applications for inventions involving superconductive materials. Examples of such inventions would include those

directed to the superconductive materials themselves as well as to their manufacture and application. In order that the Patent and Trademark Office may implement this procedure, we invite all applicants desiring to participate in this program to request that their applications be accorded "special" status. Such requests should be in writing, should identify the application by serial number and filing date, and should be accompanied by a statement under 37 CFR 1.102 that the invention involves superconductive materials. No fee is required. The statement must be verified if made by a person not registered to practice before the Patent and Trademark Office. Decisions whether to accord "special" status on the basis of a request will be made by the appropriate Group Director.

Requests should be addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Aug. 5, 1987.

DONALD J. QUIGG,
*Assistant Secretary of
Commerce and Commissioner of
Patents and Trademarks.*

[1082 TMOG 7]

(149) Preparation for Processing High Temperature Superconductor Technology

In response to the President's Superconductivity Initiative announced on July 28, 1987 and with the expectation of the filing of increasing numbers of patent applications relating to higher temperature superconductors, the U.S. Patent and Trademark Office has taken a number of steps to prepare for the effective handling of applications on this subject matter.

These actions include (1) establishing a special Task Force to prepare for the *processing of patent applications for higher temperature superconductor technology*; (2) making patent applications relating to this technology special on request of the applicant and (3) renewing support for legislation providing for an expanded scope of protection for process patents to cover products made by the patented process.

The responsibilities of the Task Force are to (1) coordinate the development of a Patent and Trademark Office capability to examine the expected large number of patent applications in this area and (2) provide an information resource and sounding board for legal and practice questions and policy development in this area. The Task Force has been assigned a number of specific tasks, such as developing a complete search file on superconductivity technology for the use of Examiners and the public, establishing a training program for examiners on the technology and assuring a uniform and consistent application of the patent law to the technology in the U.S. Patent and Trademark Office.

Sept. 16, 1987.

RENE D. TEGTMEYER, for
DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents and Trademarks.*

[1083 OG 16]

**(150) Department of Commerce
Patent and Trademark Office
37 CFR Parts 1 and 5
[Docket No. 70754-8056]****Miscellaneous Amendments of Patent Rules**

Agency: Patent and Trademark Office, Commerce.
Action: Final rule.

Summary: The Patent and Trademark Office is amending its rules of practice in patent cases, Parts 1 and 5 of Title 37, Code of Federal Regulations, (1) to bring the rule relating to swearing back of a reference into conformity with current interference practice; (2) to require that the appellant's brief in an ex parte appeal contain certain specific items; (3) to reset the time period for requesting an oral hearing in ex parte appeals where the

examiner's answer states a new ground of rejection; (4) to clarify the procedure following a rejection after a remand to the examiner under § 1.196(b)(1); (5) to give the examiner-in-chief the authority to decide certain requests for access by an interference party; (6) to clarify the rule relating to access to pending or abandoned applications; (7) to modify the rules concerning requests for interference with an application or patent; (8) to amplify the rule concerning the requirements of a motion to declare an additional interference; (9) to make more comprehensive the rule concerning the filing of a reissue application by a patentee involved in an interference; and (10) to conform the rule concerning applications under secrecy order to current interference practice.

Effective Date: Sept. 12, 1988. Amended Sections 1.191, 1.192 and 1.193 apply to *ex parte* appeals in which the notice of appeal under § 1.191 was filed on or after Sept. 12, 1988.

For Further Information Contact: Saul I. Serota by telephone at (703) 557-4072 or Ian A. Calvert by telephone at (703) 557-4000 or by mail marked to the attention of either and addressed to Box Interference, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information:

Background

A notice of proposed rulemaking was published in the *Federal Register* at 52 Fed. Reg. 36736-36743 (Sept. 30, 1987) and at 1083 *Official Gazette* 19-26 (Oct. 13, 1987).

An oral hearing was held on Dec. 9, 1987. Twenty-nine written comments were received, and four persons testified at the oral hearing. Responses to these comments are incorporated in the following discussion of specific rules.

Discussion of Specific Rules

(1) Swearing Back of a Reference

The Patent and Trademark Office published the final rule amending the rules of practice in patent interference cases in the *Federal Register* at 49 Fed. Reg. 48416-48471 (Dec. 12, 1984) and at 1050 *Official Gazette* 385-440 (Jan. 29, 1985). Included in the rules adopted was § 1.601(n), which defines "same patentable invention."

Section 1.131(a), as amended, inserts "the same patentable invention, as defined in § 1.601(n), as" before the phrase "the rejected invention." The amendment does not change the present practice where the inventor of the rejected claim, the owner of a patent under reexamination, or the person qualified under §§ 1.42, 1.43 or 1.47 can swear behind a domestic patent which discloses but does not claim the same invention as the rejected invention, a foreign patent or a printed publication. Rather, the amendment is necessary to define precisely the term "does not claim the rejected invention." See *In re Eickmeyer*, 602 F.2d 974, 979, 202 USPQ 655, 661 (CCPA 1979) where the Court stated:

... we conclude that the phrase "does not claim the rejected invention" should be construed favorably to an applicant, if possible, so that unless the applicant is clearly claiming the same invention as the U.S. patent reference, he will not lose his rights under Rule 131.

[Emphasis added.]

and also expressed its dissatisfaction with the PTO for

... leaving an applicant in a position where he cannot overcome the reference claims by a 131 affidavit because the PTO has decided that the reference claims his invention, while at the same time, he is denied an interference because the PTO has decided that the claims of his application and those of the reference are not for substantially the same invention.

Possibly because of this decision, some patent practitioners may have been of the opinion that an affidavit under 37 CFR 1.131 can be used to overcome a rejection on a domestic patent so long as there is no verbatim correspondence between the claims of the application or the patent under reexamination rejected on that domestic patent and the claims of the domestic patent.

Such an opinion would not be in accord with the law expressed in cases such as *In re Clark*, 457 F.2d 1004, 173 USPQ 359 (CCPA 1972); *In re Hidy*, 303 F.2d 954, 133 USPQ 650 (CCPA 1962); *In re Teague*, 254 F.2d 145, 117 USPQ 284 (CCPA 1958); and *In re Ward*, 236 F.2d 428, 111 USPQ 101 (CCPA 1956). In *In re Hidy*, supra, 303 F.2d at 957, 133 USPQ at 652, the Court stated:

A Rule 131 affidavit is ineffective to overcome a United States patent, not only where there is a verbatim correspondence between claims of the application and of the patent, but also where there is no patentable distinction between the respective claims. *In re Wagenhorst*, 20 CCPA 829, 62 F.2d 831, 16 USPQ 126; *In re Teague*, 45 CCPA 877, 254 F.2d 145, 117 USPQ 284.

If the application (or patent under reexamination) and the domestic patent contain claims which are identical, or which are not patentably distinct, then the application and patent are claiming the same patentable invention, defined by § 1.601(n) as follows:

"Invention A" is the same patentable invention "as an invention 'B' when invention A" is the same as (35 U.S.C.102) or is obvious (35 U.S.C. 103) in view of invention B" assuming invention B" is prior art with respect to invention "A".

As provided in § 1.601(i), an interference may be declared whenever an examiner is of the opinion that an application and a patent contain claims for the "same patentable invention." The purpose of the amendment to § 1.131(a) is to insure that an applicant who is claiming an invention which is identical to, or obvious in view of, i.e., the same patentable invention as claimed in a domestic patent, cannot employ an affidavit under § 1.131 as a means for avoiding an interference with the patent. To allow an applicant to do so would result in the issuance of two patents to the same invention.

Two commenters suggested that § 1.131 be amended to require that an interference be declared if an affidavit or declaration under the rule cannot be used; another suggested that the examiner be required to consider the § 1.131 affidavit or declaration if an interference is not declared. These suggestions are not being adopted. As discussed above, an affidavit or declaration under § 1.131 may be used whenever the inventions claimed by the reference patent (not a statutory bar) and the application would not interfere. However, the rule could not properly be amended to require that an interference always be declared if the patent and application claims interfere, because even if the claims interfere an interference will not be declared unless the applicant first meets the requirements of 37 CFR 1.608(a) or (b). Section 1.608(b) requires an applicant whose showing is based on priority of invention to file affidavits by "one or more corroborating witnesses," whereas § 1.131 does not. Compare *Kistler v. Weber*, 412 F.2d 280, 162 USPQ 214 (CCPA 1969).

One commenter asserted that an applicant should be able to "pursue the swearing back of a reference while not restricting the PTO in declaring an interference." However, the PTO is not restricted from declaring an interference if an affidavit or declaration under § 1.131 is filed. The purpose of the rule change is to more clearly define when such an affidavit or declaration can be used.

Section 1.131(b), as amended, inserts in the first sentence thereof the language, "prior to" before the words "said date." This amendment makes clear that the showing of facts under § 1.131(b) must establish due diligence from a date prior to the effective date of the reference to affiant's subsequent reduction to practice or to the filing of his application as set forth in *In re Mulder*, 716 F.2d 1542, 219 USPQ 189 (Fed. Cir. 1983).

(2) Appellant's Brief and Reply Brief

A. Limitation on Length

The proposed limitations on briefs and reply briefs to 30 and 15 pages, respectively, together with the proposal that non-complying briefs and reply briefs be returned to the appellant, are not being adopted, in view of the overwhelming opposition of the majority of the commenters. While the PTO is still concerned about the filing of excessively lengthy briefs, it is hoped that the effect of the proposed rules in focusing the

attention of the patent bar on this issue, together with the newly-adopted requirements of § 1.192(c), will help to alleviate the problem.

B. Contents of the Main Brief

Section 1.192, as amended, adds paragraphs (c) and (d). Paragraph (c) remains as proposed, except that item (5) has been revised and the title of item (7) has been changed. The first sentence of proposed paragraph (d) has been rewritten in response to numerous comments to the effect that dismissal of the appeal for failure to include any of the items required by paragraph (c), in the order specified in paragraph (c), would be too harsh a penalty.

Paragraph (c) requires that the brief contain, in order, seven specific items. This requirement arose from the recommendations of a committee which was appointed by the Commissioner of Patents and Trademarks in 1986 to study and report on alternatives for reducing the backlog of ex parte appeals at the Board of Patent Appeals and Interferences (Board). One of the committee's recommendations was that § 1.192 be amended to require that the appellant's brief include certain items. Items (3), (4), (5) and (6) of § 1.192(c) are based upon the committee's recommendations. The committee indicated that the inclusion of those items in the brief would crystallize the issues involved in the appeal. By eliminating inadequate briefs, the Board will not need to engage in what might be called "de novo" examination of a patent application, but rather can confine its activities to review of the appealed rejections.

The committee also recommended that certain items be required to be included in the examiner's answer. The Manual of Patent Examining Procedure will be amended to require that the examiner's answer contain these and other items, substantially as indicated in Appendix A.

In addition to the committee's recommendations, some of the items are supported by the evaluation of selected practices conducted as a part of the PTO's Quality Reinforcement Program. A summary of the results of that evaluation is published at 1078 Official Gazette 22 (May 19, 1987).

The specific items required by § 1.192(c) are:

- (1) A statement of the status of all the claims in the application, or patent under reexamination, i.e., for each claim in the case, appellant should state whether it is cancelled, allowed, rejected, etc. Each claim on appeal must be identified.
- (2) A statement of the status of any amendment filed subsequent to final rejection, i.e., whether or not the amendment has been acted upon by the examiner, and if so, whether it was entered, denied entry, or entered in part. In response to one comment, it is noted that this statement will of course be of the status of the amendment as understood by the appellant.

Items (1) and (2) are included in § 1.192(c) because in the past confusion has sometimes arisen as to which claims are on appeal, and the precise wording of those claims, particularly where the appellant has sought to amend claims after final rejection. The inclusion of items (1) and (2) in the brief will advise the examiner of what the appellant considers the status of the claims and post-final rejection amendments to be, allowing any disagreement on these questions to be resolved before the appeal is taken up for decision by the Board.

- (3) A concise explanation of the invention defined in the claims involved in the appeal. This explanation is required to refer to the specification by page and line number, and, if there is a drawing, to the drawing by reference characters. Where applicable, it would be preferable to read the appealed claims on the specification and any drawing.

Two commenters felt that the requirement that the specification be referred to by page and line should be optional; another, that referring to the specification and drawings might limit the claims; and others, that reference to page and line of the specification would make the explanation less concise. Nevertheless, while reference to page and line of the speci-

fication may require somewhat more detail than simply summarizing the invention, it is considered important to enable the Board to more quickly determine where the claimed subject matter is described in the application. Since the claims are read in light of the disclosure, it is not apparent how compliance with this requirement would limit the claims.

- (4) A concise statement of the issues presented for review. Each stated issue should correspond to a separate ground of rejection which appellant wishes the Board to review. While the statement of the issues must be concise, it should not be so concise as to omit the basis of each issue. For example, the statement of an issue as "Whether claims 1 and 2 are unpatentable" would not comply with § 1.192(c)(4). Rather, the basis of the alleged unpatentability must be stated, e.g., "Whether claims 1 and 2 are unpatentable under 35 U.S.C. 103 over Smith in view of Jones," or "Whether claims 1 and 2 are unpatentable under 35 U.S.C. 112, first paragraph, as being based on a non-enabling disclosure." The statement should be limited to the issues presented, and should not include any argument concerning the merits of those issues.

Two commenters suggested that the term "issues" in § 1.192(c)(4) be replaced by "rejections," as being more in agreement with the explanation in the preceding paragraph. However, the term "issues" is considered preferable, because some rejections may encompass multiple issues. For example, a rejection for failure to comply with 35 U.S.C. 112, first paragraph, might include the issues of no written description, nonenabling disclosure, and lack of best mode. Specifying each of these as a separate issue would be more informative than including them all in a single statement of the rejection.

- (5) If an appealed ground of rejection applies to more than one claim and appellant considers the rejected claims to be separately patentable, § 1.192(c)(5) requires appellant to state that the claims do not stand or fall together, and to present in the appropriate part or parts of the argument under § 1.192(c)(6) the reasons why they are considered separately patentable. The absence of such a statement will be taken by the PTO as a concession by the appellant that, if the ground of rejection is sustained as to any one of the rejected claims, it will be equally applicable to all of them. Section 1.192(c)(5) continues the current practice of the Board, and is consistent with the practice of the Court of Appeals for the Federal Circuit indicated in such cases as *In re Sernaker*, 702 F.2d 989, 217 USPQ 1 (Fed. Cir. 1983), and *In re King*, 801 F.2d 1324, 231 USPQ 136 (Fed. Cir. 1986).

One commenter recommended that this provision be deleted, because the grouping of claims would be redundant in view of the arguments presented in the Brief and/or prior prosecution, and such grouping may estop the patentee in subsequent litigation from showing the patentable distinctness of claims within a group. Another commenter suggested that the rule be modified to state that appellant can waive arguments for patentability as to claims solely for the purpose of simplifying issues for appeal, without giving rise to any permanent inference therefrom. These recommendations are not adopted. One reason for incorporating § 1.192(c)(5) is that it is often not clear whether or not appellant is urging that certain rejected claims are separately patentable. It is not apparent why any estoppel which may result from requiring a clear statement of appellant's position should or would differ from that which may presently result from a failure to argue that claims are separately patentable.

Another commenter asserted that § 1.192(c)(5) elevates form over substance, and improperly tries to resolve the patentability of claims on formal grounds, rather than on the merits of the individual claims. What this comment seems to say is that the patentability of each claim should be determined separately, even if not argued separately. This is, however, not the current practice, as discussed above.

Two commenters suggested either that the requirement for "reasons" be deleted from § 1.192(c)(5), or that the subsection be deleted entirely. They contended that any such

reasons" should appear in the Argument section (§ 1.192(c)(6)), and their repetition in practice, as discussed above.

Two commenters suggested either that the requirement for reasons be deleted from § 1.192(c)(5), or that the subsection be deleted entirely. They contended that any such reasons" should appear in the "Argument" section (§ 1.192(c)(6)), and their repetition in § 1.192(c)(5) is redundant. These suggestions have been adopted in part. Proposed § 1.192(c)(5) required the inclusion of "reasons" in order to avoid unsupported assertions of separate patentability. The requirement of reasons" has therefore been retained, but § 1.192(c)(5) now specifies that they be included in the appropriate portion of the "Argument" section of the brief. For example, if claims 1 to 4 are rejected under 35 U.S.C. 102 and appellant considers claim 4 to be separately patentable from claims 1 to 3, he should so state in the "Grouping of claims section of the brief, and then give the reasons for separate patentability in the 35 U.S.C. 102 portion of the Argument" section (i.e., under § 1.192(c)(6)(iii)).

- (6) The appellant's contentions with respect to each of the issues presented for review in § 1.192(c)(4), and the basis for those contentions, including citations of authorities, statutes, and parts of the record relied on. Included in this paragraph are five subparagraphs, (i) to (v). Subparagraphs (i) to (iv) concern the grounds of rejection most commonly involved in *ex parte* appeals, namely, 35 U.S.C. 112, first and second paragraphs, 35 U.S.C. 102, and 35 U.S.C. 103. Subparagraph (v) is a general provision concerning grounds of rejection not covered by subparagraphs (i) to (iv).

The purpose of subparagraphs (i) to (iv) is to insure that the appellant's argument concerning each appealed ground of rejection will include a discussion of the questions relevant to that ground. It is believed that compliance with the requirements of the particular subparagraphs which are pertinent to the grounds of rejection involved in an appeal will be beneficial both to the PTO and to appellants. It will not only facilitate a decision by the Board by enabling the Board to determine more quickly and precisely the appellant's position on the relevant issues, but also will help appellants to focus their arguments on those issues.

For each rejection not falling under subparagraphs (i) to (iv), subparagraph (v) provides that the argument should specify the specific limitations in the rejected claims, if appropriate, or other reasons, which cause the rejection to be in error. This language recognizes that for some grounds of rejection, it may not be necessary to specify particular claim limitations; for example, a rejection under 35 U.S.C. 101, as in *Ex parte Hibberd*, 227 USPQ 443 (BPAI 1985), or a rejection for violation of the duty of disclosure under 37 CFR 1.56(d), as in *Ex parte Harita*, 1 USPQ2d 1887 (BPAI 1986).

One commenter proposed that the provisions of parts (i) to (iv) should be optional, rather than mandatory. The PTO does not agree. One of the primary purposes of the present amendment of the rules is to require appellants to come to grips with the fundamental questions involved in determining patentability under 35 U.S.C. 102, 103 and 112. To make these provision-optional would defeat that purpose. Although parts (i) to (v) may, in the words of another commenter, in essence merely parrot the relevant section of Title 35," experience of the PTO suggests that including them in the requirements for *ex parte* briefs is not completely unnecessary." For similar reasons, the PTO does not favor the adoption of appropriate portions of Rule 13 of the United States Court of Appeals for the Federal Circuit and Rule 28 of the Federal Rules of Appellate Procedure, as this commenter proposed.

The latter commenter proposed as an alternative that parts (i) to (v) should be amended to, in effect, provide that the appellant must either specify the errors in the rejection or explain how the claims comply with the relevant section of the statute, rather than doing both, which may be unnecessary and create "harmful and unnecessary prosecution history estoppel" by requiring a discussion of issues not raised by the examiner. This proposal has not been adopted. Giving an appellant the option of not explaining how the claims comply with the statute would perpetuate one of the problems the rule is designed to solve.

One commenter contended that § 1.192(c)(6)(i) and (ii) improperly place on an appellant the burden of showing how the rejected claims comply with 35 U.S.C. 112. It should be remem-

bered, however, that in the rejection from which the appeal is taken the examiner has already stated why the claims are considered unpatentable. Once this has been done, the appellant must demonstrate to the Board that the rejection is erroneous. The requirements of § 1.192(c)(6)(i) and (ii) are therefore not improper or unreasonable.

Another commenter suggested that item (B) of § 1.192(c)(6)(i) should be divided into two parts: how-to-make" and how-to-use." This is not considered necessary. § 1.192(c)(6)(i) states that the argument include, as appropriate, items (A), (B) and (C). If the rejection were for failure of the disclosure to enable one skilled in the art to make the claimed subject matter, then the argument would not have to specify how the disclosure enabled use of the subject matter, and vice versa.

A commenter suggested that the language of the first sentence of § 1.192(c)(6)(iv) is misleading, and that the second and third sentences should be deleted. The commenter asserts that for a valid rejection the subject matter of the invention as a whole must be rendered obvious, in accordance with the test set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), and suggests that § 1.192(c)(6)(iv) be modified to require that the argument follow the analysis method of the *Graham* decision. These proposals have not been adopted. The language of § 1.192(c)(6)(iv) is based on the statute. Nothing therein is intended to change the law, or to preclude an appellant from basing arguments on the case law. The purpose of the language is to attempt to focus the argument on the specific issues of the particular case at hand, and to avoid arguments based entirely on broad generalities. The third sentence is included because it has been observed that in a number of cases appellants ignore the secondary references applied by the examiner, and argue a rejection under 35 U.S.C. 103 as though it were a rejection under 35 U.S.C. 102.

- (7) An appendix containing a copy of the claims involved in the appeal.

Pursuant to one comment, the title of § 1.192(c)(7) has been changed to "Appendix."

One commenter urged that the rule should not require that the copy of the claims be located at any particular place in the brief. This proposal is not adopted, as it is considered desirable that the examiner and the Board be able to locate the copy of the claims quickly by placing it in a common position in all briefs.

Two commenters expressed the concern that § 1.192(c) does not permit the inclusion in a brief of any items other than the seven items specified. Other commenters suggested that other items be included, such as a list of the references, table of contents, table of cases, etc. It should be emphasized that § 1.192(c) merely specifies the minimum requirements for a brief, and does not prohibit the inclusion of any other material which an appellant may consider necessary or desirable. A brief is in compliance with § 1.192(c) as long as it includes items (1) to (7) in the order set forth (with the appendix, item (7), at the end).

Paragraph (d) provides that if a brief is filed which does not comply with all the requirements of paragraph (c), the appellant will be notified of the reasons for non-compliance and given a period of one month within which to file an amended brief. The appeal will be dismissed if the appellant does not file an amended brief within the one-month period, or files an amended brief which does not overcome all the reasons for non-compliance of which he or she was notified.

Several commenters proposed that the Board, rather than the examiner, should be the arbiter of whether a brief complies with § 1.192(c). These proposals have not been adopted. The question of whether a brief complies with a rule is a matter within the jurisdiction of the examiner. Moreover, adoption of these proposals would require the application file to be sent to the Board to review the brief, then returned to the examiner for the examiner's answer. Such a procedure would not only cause unnecessary delays, but would contravene one of the purposes of § 1.192(c) by increasing the workload of the Board. Under § 1.192(d), as adopted, the appellant may file an amended brief to correct any deficiencies in the original. Moreover, if appellant disagrees with the examiner's holding of non-compliance, a petition under 37 CFR 1.181 may be filed.

Paragraph (d) also adds the following sentence:

Any arguments or authorities not included in the brief may be refused consideration by the Board of Patent Appeals and Interferences.

This sentence emphasizes that all arguments and authorities which an appellant wishes the Board to consider should be included in the brief. It should be noted that arguments not presented in the brief and made for the first time at oral hearing are not normally entitled to consideration. In re Chiddix, 209 USPQ 78 (Comr. 1980); *Rosenblum v. Hiroshima*, 220 USPQ 383 (Comr. 1983). A number of commenters were concerned that this sentence of § 1.192(d) would preclude the filing of a supplemental paper if a new argument or authority should become available or relevant after the brief was filed. No such result is intended. The sentence in question uses the word "may" to leave open the possibility that the Board has leeway to consider arguments or authorities not included in the brief under circumstances where the failure to include them can be justified. Examples of such circumstances would be where a pertinent decision of a court or other tribunal was not published until after the brief was filed, or where a particular argument or authority was not applicable to any of the grounds of rejection in the final rejection, but was relevant to a new point of argument raised in the examiner's answer.

C. Contents of Reply Brief

Section 1.193(b), as amended, inserts the following as the second and third sentences:

The new points of argument shall be specifically identified in the reply brief. If the examiner determines that the reply brief is not directed only to new points of argument raised in the examiner's answer, the examiner may refuse entry of the reply brief and will so notify the appellant.

Since the reply brief must be limited to any new points of argument raised in the examiner's answer, compliance with the requirement of the second sentence should facilitate both preparation of the reply brief by appellant and consideration of the reply brief by the PTO. The reply brief is appropriately limited to new points of argument raised in the examiner's answer because appellants have an obligation to present arguments supporting their positions in their opening briefs. Considering an argument advanced for the first time in a reply brief would not only delay the proceeding, but also would entail the risk of an improvident or ill-advised opinion on the legal issues tendered. *Von Brimer v. Whirlpool Corp.*, 536 F.2d 838, 846, 190 USPQ 528, 534 (9th Cir. 1976).

The final sentence of § 1.193(b), as amended, provides that the reply may be accompanied by, rather than include, any amendment or material appropriate to the new ground of rejection. This change in the rule makes clear that the amendment or other material must be presented in a separate paper, rather than in the reply itself.

A number of commenters proposed that the Board, not the examiner, should determine whether or not the reply brief is directed only to new points raised in the examiner's answer. In essence they feel that the examiner is not in a position to fairly judge whether a reply brief complies with the rule. These proposals have not been adopted. Section 1.193(b) requires that the appellant be notified if the reply brief is not entered because of non-compliance with the rule, and an appellant who disagrees with that ruling may seek review by way of a petition under 37 CFR 1.181. This is essentially no different than the procedure currently followed (see *Manual of Patent Examining Procedure*, § 1208.01, p. 1200-9, 5th Ed., Rev. 7 (Dec. 1987)).

One commenter suggested that the examiner's answer be eliminated; another, that the examiner should have to file the examiner's answer first. These are both beyond the scope of the present proposal, and have not been adopted.

(3) Time Period for Requesting an Oral Hearing

Section 1.194(b), as amended, adds the following sentence after the first sentence:

If the examiner's answer states a new ground of rejection and if appellant files a reply as provided by § 1.193(b),

then the written request must be made within three months after the date of the filing of the reply.

The present rule does not provide the appellant with an additional time period for requesting an oral hearing in the event that the examiner's answer states a new ground of rejection. If the answer states a new ground of rejection, § 1.193(b) provides that appellant's reply may also include any amendment or material appropriate to the new ground of rejection. However, under § 1.194(b) appellant must file the request for oral hearing within one month after the date of the answer whereas the reply thereto must be filed within two months from the date of the answer. Consequently, appellant must file a request for oral hearing before having the benefit of the examiner's views, if any, with respect to the reply.

Although the examiner does not normally issue a supplemental answer in response to a reply, see *Manual of Patent Examining Procedure*, supra, § 1208.01, the amendment to § 1.194(b) permits the appellant to postpone filing a request for an oral hearing until three months after the date the reply is filed. This will give the appellant time to receive the examiner's response, if any, to the reply before the appellant has to decide whether to request an oral hearing.

One commenter suggested that whenever the examiner makes a new ground of rejection in the examiner's answer and appellant files a reply brief, a supplemental examiner's answer should be required, and appellant then be permitted to file a supplemental reply thereto. This suggestion has not been adopted. Under present practice (see *Manual of Patent Examining Procedure*, supra) the examiner includes a new ground of rejection in the examiner's answer, rather than reopening *ex parte* prosecution, only under circumstances where the PTO has determined that the appellant will not be unfairly prejudiced, e.g., where the reference is not basic and materially better in meeting all the claims, and the requirements for making an action final are met. This sufficiently protects the rights of the appellant, while at the same time preventing the addition of a further round of papers to the file.

(4) Procedure Following Final Rejection, Remand Under § 1.196(b)

Section 1.196(b)(1), as amended, adds the following sentence as the penultimate sentence of the section:

Should the examiner repeat the rejection the applicant may again appeal to the Board of Patent Appeals and Interferences.

Under § 1.196(b), the Board may, in its decision on an *ex parte* appeal, make a new rejection of one or more appealed claims, in which case the appellant has the option of (1) submitting an appropriate amendment of the rejected claims, and/or a showing of facts, (2) requesting reconsideration, or (3) treating the decision as a final decision. If the appellant elects option (1), the case is remanded to the examiner for consideration. If the examiner does not consider that the amendment and/or showing of facts overcome the rejection, he or she will again reject the claims; if appropriate, the rejection will be made final.

An applicant in whose application such a final rejection has been made by the examiner may mistakenly believe that he or she is entitled to review by the Board of the rejection by virtue of the fact that the application was previously on appeal. The amendment corrects this belief by making clear that after such a rejection, an applicant who desires further review of the matter must file a new appeal to the Board. The language of the amendment is similar to the fourth sentence of § 1.196(d).

The proposed amendment to § 1.196(b)(1) began "Should the examiner make the rejection final," but as one commenter pointed out, 35 U.S.C. 134 permits an appeal to the Board of claims which have been twice rejected. Since the claims referred to in § 1.196(b)(1) would have been twice rejected (once by the Board and once by the examiner), the examiner's rejection could be appealed even if not made final. The beginning of the amendment has therefore been changed to "Should the examiner again reject the application."

This commenter also asserted that § 1.196(b)(1) is ambiguous, in that it implies that a separate fee would be due for the subsequent appeal, "an interpretation contrary to 35 U.S.C.

134." The PTO considers that the statute requires a separate fee for such an appeal. In the § 1.196(b) situation, the appellant has already filed an appeal, paid the fee, and received a decision thereon by the Board. Any rejection under § 1.196(b) included in the Board's decision would be, according to the rule, on "any grounds not involved in the appeal." Thus, an appeal from the subsequent rejection by the examiner would be an entirely new appeal involving a different ground and would require a new notice of appeal and the payment of another fee.

(5) Request for Access by Interference Party

Section 1.612(a), as amended, adds the following sentence as the last sentence of the section:

A party seeking access to any abandoned or pending application referred to in the opposing party's involved application or access to any pending application referred to in the opposing party's patent must file a motion under § 1.635. The amendment requires an interference party seeking access either to a pending or abandoned application referred to in an opposing party's involved application or to a pending application referred to in an opposing party's involved patent to file a motion under 37 CFR 1.635. Such a motion is decided by an examiner-in-chief (§ 1.640(b)).

Under the present practice, access can only be obtained by filing an ex parte petition to the Commissioner accompanied by the petition fee set forth in § 1.17(i) and normally no decision is rendered on the petition until after the opposing party has had an opportunity to respond to the petition. The amendment expedites the interference proceeding by eliminating the delays inherent in the petition process. By requiring the party seeking access to file a motion under § 1.635, that party will first have to confer with the opposing party in an effort to resolve the issue of access as required by § 1.637(b). The examiner-in-chief will not have to decide the issue unless it cannot be resolved by the parties.

(6) Access to Applications

Section 1.14(e), as amended, deletes the word "of" from the phrase "or of any papers relating thereto" and adds a reference to § 1.612(a) by adding the following sentence as the last sentence thereof:

See § 1.612(a) for access by an interference party to a pending or an abandoned application.

Section 1.14(e) as presently worded appears to limit a request by a member of the public to copies of, but not access to, any papers relating to any pending or abandoned application. Any such limitation was unintentional. The amended language will permit a member of the public to request both access to and copies of those papers.

(7) Request for Interference with an Application or Patent

Sections 1.604(a) and 1.607(a), as amended, provide for the situation in which a patent applicant requests an interference with another application or patent, respectively, on the basis of one or more claims which are already present in his or her application. The present rules require that when an applicant seeks an interference with another application or an unexpired patent, he or she must present a claim corresponding to the proposed count. The amended rules eliminate this requirement if a claim or claims corresponding to the proposed count are already in the application, and the applicant identifies them as such.

(8) Motion to Declare Additional Interference

Section 1.637(e)(1)(vi), as amended, requires that a motion to declare an additional interference under 37 CFR 1.633(e)(1) between an additional application not involved in the interference and owned by a party and an opponent's application or patent involved in the interference either (1) designate the claims of the opponent's application or patent which define the same

patentable invention defined by the proposed count, or (2), if the opponent's application does not contain any such claim, the moving party must propose a claim to be added to the opponent's application. The present § 1.637(e)(2)(vi) includes requirement (1), but only infers alternative requirement (2). The amended section specifically includes both requirements.

(9) Filing of Reissue Application During Interference

Section 1.662(b), as amended, inserts a comma after "§ 1.633(h)" and adds the language "or would not be appropriate" at the end of the last sentence. The present rule contemplates that a reissue application may be filed by a patentee involved in an interference only for one of two reasons: either for the purpose of avoiding the interference, or for some other purpose relating to the interference, e.g., to add claims corresponding to a proposed new count. In the first case, judgment would be entered against the patentee, and in the second case, a motion under § 1.633(h) to add the reissue application to the interference would be appropriate.

However, it has been found that a patentee involved in an interference may file a reissue application for some other reason not contemplated by the rule, and for which the entry of judgment or a motion under § 1.633(h) would not be appropriate. For example, the patentee might file a reissue application for the purpose of amending claims of the patent which are directed to an invention which is patentably distinct from the issue of the interference and which is not disclosed by the opposing party. In such a situation, addition of the reissue application to the interference would be unnecessary. The amendment of § 1.662(b) accommodates this third possibility by providing that, instead of filing a motion under § 1.633(h) to add the reissue application to the interference, a patentee can show good cause why such a motion would not be appropriate under the particular circumstances involved.

(10) Applications Under Secrecy Order

Section 5.3(b), as amended, deletes the language "under secrecy order copies claims from an issued patent" and inserts in its place the language "is under secrecy order seeks to provoke an interference with an issued patent" to make the section's language consistent with that of § 1.607(d). In addition, the reference to "§ 1.205(c)66 is corrected to read "§ 1.607(d)".

Postponement of Amendment of Interference Estoppel Rule

The notice of proposed rulemaking included proposed amendments of 37 CFR 1.658(c) concerning the effect of a judgment in an interference. In response to requests by a number of commenters for further time to study the effect of the proposed amendments, the proposal will not be implemented at this time. A proposed amendment of § 1.658(c) will be published later; in the meantime, interested parties are invited to submit their comments and suggestions.

Accordingly, present § 1.658(c) remains in effect.

Environmental, Energy and Other Considerations

This rule change will not have a significant impact on the quality of the human environment or conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)), because it is intended to expedite the disposition of appeals and to simplify by clarification and amplification certain of the rules governing the conduct of an interference. The expedited disposition of appeals will permit the small entity to make earlier business decisions which may be affected by a pending appeal. The effect of the clarification and amplification of the rules relating to interferences will be to reduce the costs associated with involvement in an interference.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the national government and the states as outlined in Executive Order 12612.

This rule does not contain a collection of information subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

List of Subjects in 37 CFR Parts 1 and 5

Administrative practice and procedure, Authority delegations (government agencies), Conflict of interests, Courts, Inventions and patents, Lawyers.

Pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, Parts 1 and 5 of Title 37 of the Code of Federal Regulations are amended as set forth below.

Part 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.14 is amended by revising paragraph (e) to read as follows: § 1.14 Patent applications preserved in secrecy.

(e) Any request by a member of the public seeking access to, or copies of, any pending or abandoned application preserved in secrecy pursuant to paragraphs (a) and (b) of this section, or any papers relating thereto, must (1) be in the form of a petition and be accompanied by the petition fee set forth in § 1.17(i) or (2) include written authority granting access to the member of the public in that particular application from the applicant or the applicant's assignee or attorney or agent of record. See § 1.612(a) for access by an interference party to a pending or abandoned application.

3. Section 1.131 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1.131 Affidavit or declaration of prior invention to overcome cited patent or publication.

(a) When any claim of an application or a patent under reexamination is rejected on reference to a domestic patent which substantially shows or describes but does not claim the same patentable invention, as defined in § 1.601(n), as the rejected invention, or on reference to a foreign patent or to a printed publication, and the inventor of the subject matter of the rejected claim, the owner of the patent under reexamination, or the person qualified under §§ 1.42, 1.43 or 1.47, shall make oath or declaration as to facts showing a completion of the invention in this country before the filing date of the application on which the domestic patent issued, or before the date of the foreign patent, or before the date of the printed publication, then the patent or publication cited shall not bar the grant of a patent to the inventor or the confirmation of the patentability of the claims of the patent, unless the date of such patent or printed publication is more than one year prior to the date on which the inventor's or patent owner's application was filed in this country.

(b) The showing of facts shall be such, in character and weight, as to establish reduction to practice prior to the effective date of the reference, or conception of the invention prior to the effective date of the reference coupled with due diligence from prior to said date to a subsequent reduction to practice or to the filing of the application. Original exhibits of drawings or

records, or photocopies thereof, must accompany and form part of the affidavit or declaration or their absence satisfactorily explained.

4. Section 1.192 is amended by revising paragraph (a) and adding new paragraphs (c) and (d) to read as follows:

§ 1.192 Appellant's brief.

(a) The appellant shall, within 2 months from the date of the notice of appeal under § 1.191 in an application, reissue application, or patent under reexamination, or within the time allowed for response to the action appealed from, if such time is later, file a brief in triplicate. The brief must be accompanied by the requisite fee set forth in § 1.17(f) and must set forth the authorities and arguments on which the appellant will rely to maintain the appeal.

(c) The brief shall contain the following items under appropriate headings and in the order here indicated:

(1) Status of Claims. A statement of the status of all the claims, pending or cancelled, and identifying the claims appealed.

(2) Status of Amendments. A statement of the status of any amendment filed subsequent to final rejection.

(3) Summary of Invention. A concise explanation of the invention defined in the claims involved in the appeal, which shall refer to the specification by page and line number, and to the drawing if any, by reference characters.

(4) Issues. A concise statement of the issues presented for review.

(5) Grouping of Claims. For each ground of rejection which appellant contests and which applies to more than one claim, it will be presumed that the rejected claims stand or fall together unless a statement is included that the rejected claims do not stand or fall together, and in the appropriate part or parts of the argument under subparagraph (c)(6) of this section appellant presents reasons as to why appellant considers the rejected claims to be separately patentable.

(6) Argument. The contentions of the appellant with respect to each of the issues presented for review in subparagraph (c)(4) of this section, and the basis therefor, with citations of the authorities, statutes, and parts of the record relied on. Each issue should be treated under a separate heading.

(i) For each rejection under 35 U.S.C. 112 first paragraph, the argument shall specify the errors in the rejection and how the first paragraph of 35 U.S.C. 112 is complied with, including, as appropriate, how the specification and drawings, if any, (A) describe the subject matter defined by each of the rejected claims, (B) enable any person skilled in the art to make and use the subject matter defined by each of the rejected claims, and (C) set forth the best mode contemplated by the inventor of carrying out his or her invention.

(ii) For each rejection under 35 U.S.C. 112, second paragraph, the argument shall specify the errors in the rejection and how the claims particularly point out and distinctly claim the subject matter which applicant regards as the invention.

(iii) For each rejection under 35 U.S.C. 102, the argument shall specify the errors in the rejection and why the rejected claims are patentable under 35 U.S.C. 102, including any specific limitations in the rejected claims which are not described in the prior art relied upon in the rejection.

(iv) For each rejection under 35 U.S.C. 103, the argument shall specify the errors in the rejection and, if appropriate, the specific limitations in the rejected claims which are not described in the prior art relied on in the rejection, and shall explain how such limitations render the claimed subject matter unobvious over the prior art. If the rejection is based upon a combination of references, the argument shall explain why the references, taken as a whole, do not suggest the claimed subject matter, and shall include, as may be appropriate, an explanation of why features disclosed in one reference may not properly be combined with features disclosed in

another reference. A general argument that all the limitations are not described in a single reference does not satisfy the requirements of this paragraph.

(v) For any rejection other than those referred to in paragraphs (i) to (iv) of this section, the argument shall specify the errors in the rejection and the specific limitations in the rejected claims, if appropriate, or other reasons, which cause the rejection to be in error.

(7) Appendix. An appendix containing a copy of the claims involved in the appeal.

(d) If a brief is filed which does not comply with all the requirements of paragraph (c) of this section, the appellant will be notified of the reasons for non-compliance and provided with a period of one month within which to file an amended brief. If the appellant does not file an amended brief during the one-month period, or files an amended brief which does not overcome all the reasons for non-compliance stated in the notification, the appeal will be dismissed. Any arguments or authorities not included in the brief may be refused consideration by the Board of Patent Appeals and Interferences.

5. Section 1.193 is amended by revising paragraph (b) to read as follows:

§ 1.193 Examiner's answer.

(b) The appellant may file a reply brief directed only to such new points of argument as may be raised in the examiner's answer, within one month from the date of such answer. The new points of argument shall be specifically identified in the reply brief. If the examiner determines that the reply brief is not directed only to new points of argument raised in the examiner's answer, the examiner may refuse entry of the reply brief and will so notify the appellant. If the examiner's answer states a new ground of rejection appellant may file a reply thereto within two months from the date of such answer; such reply may be accompanied by any amendment or material appropriate to the new ground.

6. Section 1.194 is amended by revising paragraph (b) to read as follows:

§ 1.194 Oral hearing.

(b) If appellant desires an oral hearing, appellant must file a written request for such hearing accompanied by the fee set forth in § 1.17(g) within one month after the date of the examiner's answer. If the examiner's answer states a new ground of rejection and if appellant files a reply as provided for by § 1.193(b), then the written request must be made within three months after the date of the filing of the reply. If appellant requests an oral hearing and submits therewith the fee set forth in § 1.17(g), an oral argument may be presented by, or on behalf of, the primary examiner if considered desirable by either the primary examiner or the Board.

7. Section 1.196(b)(1) is revised to read as follows:

§ 1.196 Decision by the Board of Patent Appeals and Interferences.

(b) ***

(1) The appellant may submit an appropriate amendment of the claims so rejected or a showing of facts, or both, and have the matter reconsidered by the examiner in which event the application will be remanded to the examiner and the decision of the Board of Patent Appeals and Interferences shall not be considered final for the purpose of judicial review. The statement shall be binding upon the examiner unless an amendment or showing

of facts not previously of record be made which, in the opinion of the examiner, overcomes the new ground for rejection stated in the decision. Should the examiner again reject the application the applicant may again appeal to the Board of Patent Appeals and Interferences. When appropriate, upon conclusion of proceedings on remand before the examiner, the Board of Patent Appeals and Interferences may enter an order otherwise making its decision final.

8. Section 1.604(a) is revised to read as follows: § 1.604 Request for interference between applications by an applicant.

(a) An applicant may seek to have an interference declared with an application of another by (1) suggesting a proposed count and presenting at least one claim corresponding to the proposed count or identifying at least one claim in his or her application that corresponds to the proposed count, (2) identifying the other application and, if known, a claim in the other application which corresponds to the proposed count, and (3) explaining why an interference should be declared.

9. Section 1.607(a) is revised to read as follows:

§ 1.607 Request by applicant for interference with patent.

(a) An applicant may seek to have an interference declared between an application and an unexpired patent by (1) identifying the patent, (2) presenting a proposed count, (3) identifying at least one claim in the patent corresponding to the proposed count, (4) presenting at least one claim corresponding to the proposed count or identifying at least one claim already pending in his or her application that corresponds to the proposed count, and, if any claim of the patent or application identified as corresponding to the proposed count does not correspond exactly to the proposed count, explaining why each such claim corresponds to the proposed count, and (5) applying the terms of any application claim (i) identified as corresponding to the count and (ii) not previously in the application to the disclosure of the application.

10. Section 1.612(a) is revised to read as follows:

§ 1.612 Access to applications.

(a) After an interference is declared, each party shall have access to and may obtain copies of the files of any application set out in the notice declaring the interference, except for affidavits filed under § 1.131 and any evidence and explanation under § 1.608 filed separate from an amendment. A party seeking access to any abandoned or pending application referred to in the opposing party's involved application or access to any pending application referred to in the opposing party's patent must file a motion under 1.635.

11. Paragraph (vi) of § 1.637(e)(1) is revised to read as follows:

§ 1.637 Content of motions.

(e) ***

(1) ***

(vi) Identify all claims in the opponent's application or patent which should be designated to correspond to each proposed count; if the opponent's application does not contain any such claim, the motion shall propose a claim to be added to the opponent's application.

12. Paragraph (b) of § 1.662 is revised to read as follows:

§ 1.662 Request for entry of adverse judgment; reissue filed by patentee.

(b) If a patentee involved in an interference files an application for reissue during the interference and omits all claims of the patent corresponding to the counts of the interference for the purpose of avoiding the interference, judgment may be entered against the patentee. A patentee who files an application for reissue other than for the purpose of avoiding the interference shall timely file a preliminary motion under § 1.633(h), or show good cause why the motion could not have been timely filed or would not be appropriate.

Part 5—SECURITY OF CERTAIN INVENTIONS AND LICENSES TO EXPORT AND FILE APPLICATIONS IN FOREIGN COUNTRIES

13. The authority citation for 37 CFR Part 5 is revised to read as follows:

Authority: 35 U.S.C. 6, 41, 181-188, the Export Administration Act of 1979, as amended, 50 U.S.C.App. 2401 et seq., the Arms Export Control Act, as amended, 22 U.S.C. 2751 et seq., the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq., and the Nuclear Non-Proliferation Act of 1978, 22 U.S.C. 3201 et seq., and the delegations in the regulations under these acts to the Commissioner (15 CFR 370.10(j), 22 CFR 125.04, and 10 CFR 810.7).

14. Paragraph (b) of § 5.3 is revised to read as follows:

§ 5.3 Prosecution of application under secrecy orders; withhold patent.

(b) An interference will not be declared involving national applications under secrecy order. However, if an applicant whose application is under secrecy order seeks to provoke an interference with an issued patent, a notice of that fact will be placed in the file wrapper of the patent. (See § 1.607(d)).

APPENDIX A

Requirements for Examiner's Answer

Chapter 1200 of the Manual of Patent Examining Procedure will be amended to require that the examiner's answer include, in the order indicated, the following items:

- (1) *Status of claims.* A statement of whether the examiner disagrees with the statement of the status of claims contained in the brief and a correct statement of the status of all the claims pending or cancelled, if necessary.
- (2) *Status of Amendments.* A statement of whether the examiner disagrees with the statement of the status of amendments contained in the brief, and an explanation of any disagreement.
- (3) *Summary of invention.* A statement of whether the examiner disagrees with the summary of invention contained in the brief, an explanation of why the examiner disagrees, and a correct summary of invention, if necessary.
- (4) *Issues.* A statement of whether the examiner disagrees with the statement of the issues in the brief and an explanation of why the examiner disagrees, including:
 - (i) Identification of any issues which are petitionable rather than appealable, and
 - (ii) Identification of any issues or grounds of rejection on appeal which the examiner no longer considers applicable.

- (5) *Grouping of Claims.* A statement of whether the examiner disagrees with any statement in the brief that certain claims do not stand or fall together, and, if the examiner disagrees, an explanation as to why those claims are not separately patentable.
- (6) *Claims appealed.* A statement of whether the copy of the appealed claims contained in the appendix to the brief is correct and if not, a correct copy of any incorrect claim.
- (7) *References of record.* A listing of the references of record relied on, and in the case of non-patent references, the relevant page or pages.
- (8) *New references.* A statement of whether or not any new reference is being applied and a listing of each such reference being cited for a new ground of rejection in the examiner's answer, and in the case of non-patent references, the relevant page or pages.
- (9) *Grounds of rejection.* For each ground of rejection applicable to the appealed claims, an explanation of the ground of rejection, or reference to a final rejection or other single prior action for a clear exposition of the rejection.
 - (i) For each rejection under 35 U.S.C. 112, first paragraph, the examiner's answer, or the single prior action, shall explain how the first paragraph of 35 U.S.C. 112 is not complied with, including, as appropriate, how the specification and drawings, if any, (a) do not describe the subject matter defined by each of the rejected claims, (b) would not enable any person skilled in the art to make and use the subject matter defined by each of the rejected claims, and (c) do not set forth the best mode contemplated by the appellant of carrying out his or her invention.
 - (ii) For each rejection under 35 U.S.C. 112, second paragraph, the examiner's answer, or single prior action, shall explain how the claims do not particularly point out and distinctly claim the subject matter which applicant regards as the invention.
 - (iii) For each rejection under 35 U.S.C. 102, the examiner's answer, or single prior action, shall explain why the rejected claims are anticipated or not patentable under 35 U.S.C. 102, pointing out where all of the specific limitations recited in the rejected claims are found in the prior art relied upon in the rejection.
 - (iv) For each rejection under 35 U.S.C. 103, the examiner's answer, or single prior action, shall state the ground of rejection and point out where each of the specific limitations recited in the rejected claims is found in the prior art relied on in the rejection, shall identify any difference between the rejected claims and the prior art relied on and shall explain how the claimed subject matter is rendered unpatentable over the prior art. If the rejection is based upon a combination of references, the examiner's answer, or single prior action, shall explain the rationale for making the combination.
 - (v) For each rejection under 35 U.S.C. 102 or 103 where there may be questions as to how limitations in the claims correspond to features in the prior art, the examiner, in addition to the requirements of (9)(iii) and (iv) above, should compare at least one of the rejected claims feature by feature with the prior art relied on in the rejection. The comparison shall align the language of the claim side by side with a reference to the specific page, line number, drawing reference number and quotation from the prior art, as appropriate.
 - (vi) For each rejection, other than those referred to in paragraphs (i) to (v) of this section, the examiner's answer, or single prior action, shall specifically explain the basis for the particular rejection.
- (10) *New ground of rejection.* A statement of whether or not any new ground of rejection is being made in the examiner's answer and a complete statement and explanation of any such new ground. The requirements of paragraph (9) shall be complied with for any new ground of rejection.
- (11) *Response to argument.* A statement of whether the examiner disagrees with each of the contentions of appellant in the brief with respect to the issues presented and an

explanation of the reasons for disagreement with any such contention. If any ground of rejection is not argued and responded to by appellant, the response shall point out each claim affected.

- (12) *Period of response to new ground of rejection.* A statement setting the period for appellant to file a reply to any new ground of rejection, if necessary.

May 3, 1988

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and trademarks.

[Billing Code 3510-16]

[1092 OG 26]

(151) Treatment of Objected-to Claims After Appeal

This notice sets out the policy of the U.S. Patent and Trademark Office (PTO) with respect to the treatment of dependent claims that are not subject to rejection in an application in which an appeal to the Board of Patent Appeals and Interferences (Board) has been filed. 37 C.F.R. 1.191.

37 C.F.R. 1.197(c) reads:

Proceedings are considered terminated by the dismissal of an appeal or the failure to timely file an appeal to the court or a civil action (37 C.F.R. 1.304) except: (1) Where claims stand allowed in an application, or (2) where the nature of the decision requires further action by the examiner. In such cases, the date of termination of proceedings is the date on which the appeal is dismissed or the date on which the time for appeal to the court or review by civil action (37 C.F.R. 1.304) expires. If an appeal to the court or a civil action has been filed, proceedings are similarly considered terminated when the appeal or civil action is terminated.

1. When an Appeal Brief is not filed

Upon failure to file an appeal brief, applications containing both, allowed claims and claims subject to rejection will have the appeal dismissed. The rejected claims will be cancelled and the application will issue with the allowed claims only.

Applicants should note that dependent claims which have been objected to by the examiner as being allowable except for their dependence from rejected claims are not claims which stand allowed. Accordingly, applicants must take affirmative action to overcome the objection and make the objected-to claims allowed claims. This may be done by filing an amendment rewriting objected-to dependent claims into independent form prior to termination of proceedings under 37 C.F.R. 1.197(c).

Upon termination of proceedings, the PTO will hold an application abandoned for failure to take appropriate action if the application contains only rejected and/or objected-to claims.

2. After a Board or Court decision

The approach outlined in (1) above will also apply to applications following an affirmation by the Board or a court of law.

An exception to the approach outlined in (1) above exists when the Board or court affirms a rejection against an independent claim and reverses all rejections against a claim dependent thereon. This type of decision requires further action by the examiner; 37 C.F.R. 1.197(c). Accordingly, upon termination of the time for appeal, the examiner will proceed in one of two ways:

- Convert the dependent claim into independent form by examiner's amendment, cancel all claims in which the rejection was affirmed, and issue the application; or,
- Set a one-month time period in which applicant may rewrite the dependent claim in independent form. Extension of time requests to this time period under 37 C.F.R. 1.136(a) will not be permitted. Failure to take timely action will result in abandonment under 35 U.S.C. 133 unless allowed claims

are present in the application. If allowed claims are present, the examiner will cancel all rejected and objected-to claims and issue the application with the allowed claims only.

Sept. 21, 1988

JAMES E. DENNY,
Deputy Assistant
Commissioner for Patents.

(152) Revised Ex Parte Appeal Requirements

New format and content requirements for appeal briefs in ex parte appeals are now in effect for cases where the notice of appeal was filed on or after Sept. 12, 1988. The new requirements were set forth in amended 37 CFR 1.192 which was published in the *Official Gazette* at 1092 O.G. 26 on July 12, 1988 and reprinted on Jan. 3, 1989 in the *Consolidated Listing of Official Gazette Notices* as item number 162. The changes are also set forth in chapter 1200 of the Manual of Patent Examining Procedure as revised in revision number 9, dated Sept. 1988.

Appellant's brief is required by 37 CFR 1.192(c) to contain, under appropriate headings, (1) the status of all the claims, (2) the status of any amendment filed subsequent to final rejection, (3) a summary of the invention, (4) a concise statement of the issues presented for review, (5) a statement that claims rejected under a rejection do not stand or fall together and the reasons why (if no statements is filed it will be presumed that the rejected claims stand or fall together), (6) the arguments of the appellant with respect to each issue presented for review, and (7) and appendix containing a copy of the claims involved in the appeal. The rule further sets out specific requirements for arguments against rejections based on 35 U.S.C. 102, 103, 112 and other grounds. The examiner's answer to the brief will follow a corresponding format.

Pursuant to 37 CFR 1.192(d), if a brief is filed which does not comply with the new requirements as set forth in paragraph (c) of the rule, the appellant will be notified of the reasons for non-compliance and provided with a period of one month within which to file an amended brief. The one-month period will not be extended. If appellant does not file a brief overcoming the reasons for non-compliance within the one-month period, the appeal will be dismissed.

The new requirements for the appeal brief will aid in the crystallization of the issues involved in the appeal. This will benefit the appellant and the examiner, as well as the Board of Patent Appeals and Interferences, in their consideration.

Jan. 23, 1989.

RENE D. TEGTMEYER,
Assistant Commissioner
for Patents.

[1099 OG 26]

(153) DEPARTMENT OF COMMERCE Patent and Trademark Office 37 CFR Parts 1 and 2 [Docket No. 90143-9144] RIN 0651-AA35

Amendment of Patent and Trademark Rules concerning Judicial Review of Decisions of the Board of Patent Appeals and Interferences and the Trademark Trial and Appeal Board and other Miscellaneous Matters.

Agency: Patent and Trademark Office, Commerce.
Action: Final Rule.

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, relating to (1) decisions of the Board of Patent Appeals and Interferences (BPAI), (2) requests for reconsideration of decisions of the BPAI and the Trademark Trial and Appeal Board (TTAB), (3) extensions of time in proceedings after a decision by the BPAI under §§ 1.196 and 1.197, (4) practices concerning judicial review of final

decisions of the BPAI and TTAB, (5) extensions of time for seeking judicial review of BPAI and TTAB decisions and (6) miscellaneous changes in the practice before the BPAI and housekeeping amendments.

Two recent decisions of the U.S. Court of Appeals for the Federal Circuit have held that even though the BPAI includes a new ground for rejection in its decision under 37 CFR § 1.196(b)(3), appellants may appeal directly to the Federal Circuit without first seeking reconsideration at the BPAI. Where judicial review is sought without requesting reconsideration, the arguments against the new ground of rejection are developed for the first time during court proceedings. The amendments require that appellants seek reconsideration of the new ground of rejection prior to appeal or commencement of a civil action.

Experience under the previous rules relating to judicial review of final board decisions indicated that the rules may have been confusing in certain respects relating to the time in which judicial review must be sought and the manner in which extensions of time for seeking judicial review may be obtained. The rules eliminate any confusion as to when judicial review must be sought and standardize the manner of obtaining extensions of time to seek judicial review.

The rules also make clarifying and housekeeping amendments with respect to practice before the BPAI.

Effective Date: August 20, 1989.

For Further Information Contact: Richard E. Schafer by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information:

Background

A notice of proposed rulemaking was published in the *Federal Register* at 54 Fed. Reg. 11009 (March 16, 1989) and at 1101 *Official Gazette* 6 (April 4, 1989). No oral hearing was held and no written comments were received.

Discussion of Specific Rules

(1) Decisions of the BPAI and requests for reconsideration of BPAI and TTAB decisions

Only final decisions of the BPAI and TTAB are subject to judicial review. 35 U.S.C. §§ 141, 145; U.S.C. § 1071; 28 U.S.C. § 1295 (a)(4)(A) and (B).

Section 1.196(b) provides that if the BPAI has knowledge of any grounds, not involved in the appeal, for rejecting any appealed claim, it may include in its decision a statement to that effect. The statement then constitutes a new rejection of the claims. The previous rules permitted appellants to treat the decision as a final decision in the case and thus immediately appealable. 37 CFR § 1.196(b)(3) (1988). Therefore, when an appellant proceeded under this option, arguments against the new rejection were presented for the first time to the reviewing court.

A recent decision by the U.S. Court of Appeals for the Federal Circuit rejected the Commissioner's argument that an appellant should not be permitted to contest the BPAI's new ground for rejection because it had not requested reconsideration of that ground by the BPAI. *In re Evanega*, 829 F.2d 1110, 1113, 4 USPQ 2d 1249, 1252 (Fed. Cir. 1987). See also *In re Nielson*, 816 F.2d 1567, 1570, 2 USPQ 2d 1525, 1527 (Fed. Cir. 1987). In *Evanega*, the Commissioner urged that requiring appellants to request reconsideration, where the BPAI adopts a new ground for rejection, would provide the BPAI with an opportunity to consider appellant's arguments and correct any errors while the case was still in the PTO. This conserves judicial resources, and in any event, obtains the benefit of the BPAI's view should judicial review ultimately be sought. The court held, however, that in view of PTO regulations (37 CFR § 1.196(b)(3)) which "expressly provide that the board's decision, even if based on a new ground, is a final determination and thus may be appealed without seeking reconsideration," appellant could not be required to request reconsideration by the BPAI. *Id.*

The new rule changes eliminate 37 CFR § 1.196(b)(3). By removing § 1.196(b)(3), appellants no longer have the option of

treating a new ground of rejection as final and immediately appealable. Appellants' options are limited to requesting remand to the examiner or requesting reconsideration by the BPAI as set forth in §§ 1.196(b)(1) and 1.196(b)(2). The preamble of § 1.196(b) has been amended to specifically recite that a new ground of rejection shall not be considered a final decision for judicial review.

Appellants still may elect further prosecution before the examiner under 37 CFR § 1.196(b)(1) or request reconsideration under § 1.196(b)(2). The option of § 1.196(b)(2) requires that any request for reconsideration address the new ground of rejection and specifically state the reasons why the new ground was in error. Section 1.196(b)(2) also provides that the BPAI will reconsider the new rejection and, if necessary, render a new decision. The decision on reconsideration will be deemed to incorporate the earlier decision except for any portions of the earlier decision specifically withdrawn.

Reconsideration or remand need not be requested if appellant does not contest the new ground. Appellants may seek judicial review as to claims not subject to the new ground.

Section 1.196(a) expressly provides for remands to the examiner for further consideration. The BPAI has inherent authority, as part of its role in reviewing standards of patentability applied in the PTO, to remand applications to the examiner for further consideration. *Cf.* Manual of Patent Examining Procedure (MPEP) §§ 1211 and 1212. The change merely makes express that which is inherent.

The amendments also delete the portion of former § 1.196(d) which provides (1) that any decision which includes a remand shall not be a final decision for the purposes of judicial review and (2) that upon conclusion of the proceedings on remand the BPAI may enter an order making its decision final. Those provisions have been included as new § 1.196(e). Under this paragraph, decisions pursuant to § 1.196(b) would not be final as to the claims subject to a new rejection.

The last sentence of former § 1.196(b)(1) has been deleted and placed in new § 1.196(e).

(2) Requests for reconsideration of BPAI and TTAB decisions

Section 1.197(b) provides that any request for reconsideration must specifically state the points believed to have been misapprehended or overlooked in the BPAI's decision. Experience has shown that many requests for reconsideration are nothing more than reargument of appellant's position on appeal. The provision, as adopted, limits requests to the points of law or fact which appellant feels were overlooked or misapprehended by the BPAI.

The amendments also clarify the exception found in the first sentence of § 1.197(b) by including specific references to the "original decision" and the "decision on reconsideration." Some confusion had been noted with respect to the meaning of the current language.

In order to simplify calculation of times for requesting reconsideration of the decisions of the boards, §§ 1.658(b), 2.129(c), and 2.144 specify a period of one month rather than the periods expressed in days. Section 1.197(a) already specified a one-month period.

(3) Extensions of time after a decision by the BPAI to take action under §§ 1.196 and 1.197

Appellants in patent cases may no longer use fee extensions under § 1.136(a) to extend the time for making an election under § 1.196(b) or seeking reconsideration under § 1.197.

Under previous rules appellants could request reconsideration of a BPAI decision up to five months after a decision or file a response to a new ground of rejection up to six months after the decision. This inordinately delayed final disposition of appeals. Section 1.136(a) provides that fee extensions are not available to file responses to a BPAI decision pursuant to §§ 1.196, 1.197 or 1.304. One month is deemed to be ample time to submit a request for reconsideration. Note that Fed. R. Civ. P. 59 provides 10 days and Fed. R. App. P. 40 provides 14 days for similar requests. Extensions under § 1.136(b) will be available to extend the time to file a response under §§ 1.196 and 1.197. Section 1.304(a) exclusively governs extensions of time to file a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or to commence a civil action. See further discussion below.

Section 1.136(a) specifically refers to § 1.136(b) for extensions of time to file responses under §§ 1.196 and 1.197 and refers to § 1.304 for extensions of time to initiate judicial review. Sections 1.196(f) and 1.197(b) correlatively reference § 1.136(b) for extensions of time.

Fee extensions are not available to extend the time for electing further prosecution before the examiner under § 1.196(b)(1). Where an appellant elects further prosecution before the examiner, fee extensions under § 1.136(a) remain available to respond to the primary examiner's Office actions.

(4) Time for seeking judicial review of decisions of the BPAI and TTAB

Under previous rules, judicial review of final decisions of the BPAI or TTAB had to be sought within sixty days of the decision or thirty days after a decision on reconsideration. However, where a decision on reconsideration was, in effect, a new decision, it was not always clear whether the time for appeal was thirty or sixty days. Sections 1.304(a) and 2.146(d)(1) provide a two-month period to appeal from either the date of the decision or the decision on a timely filed request for reconsideration.

Some problems have been noted with respect to the time for seeking judicial review in days. Miscalculations of the statutory sixty-day time period have resulted in filing untimely requests for judicial review. In order to simplify calculation of the time for seeking judicial review, §§ 1.304(a) and 2.145(d)(1) specify two months. The two-month period meets the sixty-day requirement of 35 U.S.C. §§ 142, 145 and 146 and 15 U.S.C. §§ 1071(a)(2) and (b)(1) except for time periods which include February 28. In order to comply with the sixty-day requirement, §§ 1.304(b) and 2.145(d)(2) provide that an additional day shall be added to any two-month period for initiating judicial review which includes February 28. Appeals will always be timely if the judicial review is initiated within two months of the final decision.

Previously, the rules did not specify a time period for filing a cross-appeal or cross-action in *inter partes* cases. The absence of such a time period made it difficult for parties and their attorneys to make appropriate plans for judicial review. For example, in an interference where there has been a split judgment, one of the parties may be satisfied with the judgment but may desire to appeal the adverse judgment only if an appeal is noted by the other party. Where the appeal is filed on the last possible day, a cross-appeal is precluded. Sections 1.304(a) and 2.145(d)(1) specify that the time for filing a cross-appeal or commencing a cross-action expires (1) fourteen days after service of the notice of appeal or the summons and complaint or (2) two months after the decision to be reviewed, whichever is later.

Similarly, no provision for filing a cross-action was provided where an appellee elects to have further proceedings conducted in the district court pursuant to 35 U.S.C. § 146 or 15 U.S.C. § 1071(a)(1). Section 1.304(c) and 2.145(d)(3) provide that the time for filing a cross-action expires 14 days after service of the summons and complaint. The district court will determine whether any cross-action was timely filed since neither the complaint nor cross-action is filed in the PTO.

(5) Extensions of time to seek judicial review

In the past, standards for granting requests for extensions of time to take an appeal or commence a civil action varied depending upon which board was involved and upon the particular type proceeding before the board. For example, extensions relating to patent applications could be obtained by paying the appropriate fee under § 1.136(a). However, in reexamination proceedings or when judicial review was sought from a decision of the TTAB, the requester must demonstrate sufficient cause under § 1.550(c) or § 2.145(d)(1). The rules standardize the manner in which an extension of time to initiate judicial review may be obtained. The PTO has adopted a standard which is similar to the standard used in the Federal courts for granting extensions. Under the rules the Commissioner may extend the time (1) for good cause if requested before the expiration of the time provided for initiating judicial review or (2) upon a showing of excusable neglect in failing to initiate judicial review if requested after the expiration of the time period. This standard will be applicable in both trademark and patent proceedings (§§ 1.304(a) and 2.145(e)) once the "last" decision, i.e., either the decision (in circumstances where no timely reconsideration is sought) or the deci-

sion on reconsideration, of either board has been entered. In patent cases, extensions of time under § 1.136(b) and § 1.550(c) and fee extensions under 37 CFR § 1.136(a) are no longer available to extend the time for the purpose of judicial review once a decision or a decision on reconsideration has been entered. Section 1.304(a) states that the provisions of §§ 1.136 and 1.550(c) are not available to extend the time to initiate judicial review. Sections 1.136(a), 1.136(b), 1.191(d), 1.550(c), 1.645(a) and (b) refer to § 1.304 for extensions of time for seeking judicial review after a decision has been entered. Section 1.645(a) has been amended by (1) adding the introductory phrase "Except to extend the time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action," to the first sentence and (2) deleting the references to filing a notice of appeal or commencing a civil action in the second sentence.

In view of the amendments to §§ 1.197 and 1.304, relating to extensions of time to seek reconsideration or initiate judicial review, § 1.191(d) does not refer to §§ 1.196 and 1.197.

(6) Miscellaneous amendments

In the past, appellants could use fee extensions to delay the time for requesting an oral hearing at the BPAI. This delays final disposition of the appeal and causes administrative problems and duplication of effort due to the transfer of the appeal to the hearing docket. Section 1.191(d) no longer refers to § 1.194. Fee extensions are no longer available to extend the time for requesting an oral hearing. Extensions under § 1.136(b) are available to extend the time to request an oral hearing.

Section 1.191(b) has been rewritten as one sentence without any change in substance.

Some confusion has resulted as to who has jurisdiction over a patent application after a notice of appeal to the BPAI has been filed. Problems arose, for example, as to the appropriate PTO official to decide certain petitions and other matters after an appeal has been filed. MPEP § 1210 indicates that jurisdiction over the application normally passes at one of five possible times listed therein. Section 1.191 includes a new section (e) which provides that jurisdiction transfers to the BPAI when the application or reexamination file including all briefs and examiner's answers is transmitted to the BPAI. Thus, jurisdiction transfers to the BPAI when all written submissions by the applicant and the examiner have been entered and the application papers have been forwarded to the BPAI.

New paragraph 1.191(e) also includes a provision that the Commissioner, prior to the time the BPAI renders its decision, may *sua sponte* order that an application be remanded to the examiner for further consideration. This provision merely makes explicit the inherent authority of the Commissioner to direct and supervise the examination of patent applications.

Under previous rules there was some confusion as to when "termination of proceedings" occurs. Section 1.197(c) provides that proceedings are "terminated" when the Federal Circuit's mandate is received by the PTO or after the time for appeal from the judgment of the district court in a civil action under 35 U.S.C. § 145 has expired. The language "In such cases," in the second sentence of former § 1.197(c) has been eliminated since it was superfluous and may have been confusing.

The rules delete the phrase "that he or she elects" and substitutes "electing" therefor in §§ 1.304(c) and 2.145(c)(3), as amended. The amendment merely changes wording without any change in substance.

Section 1.196(b) changes the verb "make" to "makes" to conform the verb to the singular subject of the sentence.

Sections 1.301, 1.303, 2.145(a)(2) and 2.145(c)(3) no longer refer to transmittal of the certified list and certified copies of the notice of election to the U.S. Court of Appeals for the Federal Circuit under 35 U.S.C. § 141 or 15 U.S.C. § 1071(a)(1). These procedures are required by applicable statutes or Court Rules and are unnecessary in the PTO's regulations.

Sections 1.304(a), 1.304(c), 2.145(c)(3) and 2.145(d)(1) include a statement that the certificate of mailing provisions of § 1.8 are *not* applicable. No substantive change is involved since the inapplicability of § 1.8 is already stated in §§ 1.8(a)(2)(viii) and (ix).

Sections 1.304(b) and 2.145(d)(2) recite "Federal holiday in the District of Columbia" rather than "legal holiday." These

changes merely conform the language of these sections with the language of 35 U.S.C. § 21(b) and 37 CFR § 1.7.

Section 2.145(c)(2) and (3) include changes in wording without any change in substance.

Other Considerations

These rules will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 350 et seq.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities [Regulatory Flexibility Act, Pub. L. 96-354]. The rule change requiring appellants to request reconsideration under the specific circumstances set forth is not expected to result in an increase of fees charged by attorneys and agents to entities, including small entities, since the rule change is intended to eliminate erroneous grounds for rejection prior to appeal and in some instances is expected to eliminate the need for appeal.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect to the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The PTO has also determined that this notice has no Federalism implications affecting the relationship between the national government and the states as outlined in Executive Order 12612.

The rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., since no record keeping or reporting requirements within the coverage of the Act are placed upon the public.

List of Subjects in 37 CFR, Part 1:

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and record keeping requirements, Small businesses.

List of Subjects in 37 CFR, Part 2:

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons given in the preamble and pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. § 6, Parts 1 and 2 of Title 37 of the Code of Federal Regulations are amended as set forth below.

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.136 is revised to read as follows:

§ 1.136 Filing of timely responses with petition and fee for extension of time and extensions of time for cause.

(a) If an applicant is required to respond within a non-statutory or shortened statutory time period, applicant may respond up to four months after the time period set if a petition for an extension of time and the fee set in § 1.17 are filed prior to or with the response, unless (1) applicant is notified otherwise in an Office action, (2) the application is involved in an interference declared pursuant to § 1.611 or (3) the response is to a decision by the Board of Patent Appeals and Interferences pursuant to §§

1.196, 1.197 or 1.304. The date on which the response, the petition, and the fee have been filed is the date of the response and also the date for purposes of determining the period of extension and the corresponding amount of the fee. The expiration of the time period is determined by the amount of the fee paid. In no case may an applicant respond later than the maximum time period set by statute, or be granted an extension of time under paragraph (b) of this section when the provisions of this paragraph are available. See § 1.136(b) for extensions of time relating to proceedings pursuant to §§ 1.196 or 1.197, § 1.304 for extension of time to appeal to the U.S. Court of Appeals for the Federal Circuit or to commence a civil action, § 1.645 for extension of time in interference proceedings and § 1.550(c) for extension of time in reexamination proceedings.

(b) When a response with petition and fee for extension of time cannot be filed pursuant to paragraph (a) of this section, the time for response will be extended only for sufficient cause, and for a reasonable time specified. Any request for such extension must be filed on or before the day on which action by the applicant is due, but in no case will the mere filing of the request effect any extension. In no case can any extension carry the date on which response to an Office action is due beyond the maximum time period set by statute or be granted when the provisions of paragraph (a) of this section are available. See § 1.304 for extension of time to appeal to the U.S. Court of Appeals for the Federal Circuit or to commence a civil action, § 1.645 for extension of time in interference proceedings and § 1.550(c) for extension of time in reexamination proceedings.

3. Section 1.191 is amended by revising paragraphs (b) and (d) and adding paragraph (e) to read as follows:

§ 1.191 Appeal to Board of Patent Appeals and Interferences

* * * * *

(b) The appeal in an application or reexamination proceeding must identify the rejected claim or claims appealed, and must be signed by the applicant, patent owner or duly authorized attorney or agent.

* * * * *

(d) The time periods set forth in §§ 1.191 through 1.193 are subject to the provisions of § 1.136 for patent applications or § 1.550(c) for reexamination proceedings. See § 1.304(a) for extensions of time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action.

(e) Jurisdiction over the application or patent under reexamination passes to the Board of Patent Appeals and Interferences upon transmittal of the file, including all briefs and examiner's answers, to the Board. Prior to the entry of a decision on the appeal, the Commissioner may *sua sponte* order the application remanded to the examiner.

4. Section 1.196 is amended by revising paragraphs (a), (b) and (d) and adding new paragraphs (e) and (f) to read as follows:

§ 1.196 Decision by the Board of Patent Appeals and Interferences

(a) The Board of Patent Appeals and Interferences, in its decision, may affirm or reverse the decision of the examiner in whole or in part on the grounds and on the claims specified by the examiner or remand the application to the examiner for further consideration. The affirmation of the rejection of a claim on any of the grounds specified constitutes a general affirmation of the decision of the examiner on that claim, except as to any ground specifically reversed.

(b) Should the Board of Patent Appeals and Interferences have knowledge of any grounds not involved in the appeal for rejecting any appealed claim, it may include in the decision a statement to that effect with its reasons for so holding, which statement shall constitute a new rejection of the claims. A new rejection shall not be considered final for the purpose of judicial review. When the Board of Patent Appeals and Interferences makes a new rejection of an appealed claim, the appellant may exercise either of the following two options with respect to the new ground:

(1) The appellant may submit an appropriate amendment of the claims so rejected or a showing of facts, or both, and have the matter reconsidered by the examiner in which event the application will be remanded to the examiner. The statement shall be binding upon the examiner unless an amendment or showing of facts not previously of record be made which, in the opinion of the examiner, overcomes the new ground for rejection stated in the decision. Should the examiner again reject the application the applicant may again appeal to the Board of Patent Appeals and Interferences.

(2) The appellant may have the case reconsidered under § 1.197(b) by the Board of Patent Appeals and Interferences upon the same record. The request for reconsideration shall address the new ground for rejection and state with particularity the points believed to have been misapprehended or overlooked in rendering the decision and also state all other grounds upon which reconsideration is sought. Where request for such reconsideration is made the Board of Patent Appeals and Interferences shall reconsider the new ground for rejection and, if necessary, render a new decision which shall include all grounds upon which a patent is refused. The decision on reconsideration is deemed to incorporate the earlier decision, except for those portions specifically withdrawn on reconsideration, and is final for the purpose of judicial review.

(d) Although the Board of Patent Appeals and Interferences normally will confine its decision to a review of rejections made by the examiner, should it have knowledge of any grounds for rejecting any allowed claim it may include in its decision a recommended rejection of the claim and remand the case to the examiner. In such event, the Board shall set a period, not less than one month, within which the appellant may submit to the examiner an appropriate amendment, a showing of facts or reasons, or both, in order to avoid the grounds set forth in the recommendation of the Board of Patent Appeals and Interferences. The examiner shall be bound by the recommendation and shall enter and maintain the recommended rejection unless an amendment or showing of facts not previously of record is filed which, in the opinion of the examiner, overcomes the recommended rejection. Should the examiner make the recommended rejection final the applicant may again appeal to the Board of Patent Appeals and Interferences.

(e) Whenever a decision of the Board of Patent Appeals and Interferences includes or allows a remand, that decision shall not be considered a final decision. When appropriate, upon conclusion of proceedings on remand before the examiner, the Board of Patent Appeals and Interferences may enter an order otherwise making its decision final.

(f) See § 1.136(b) for extensions of time to take action under this section.

5. Section 1.197 is amended by revising paragraphs (b) and (c) to read as follows:

§ 1.197 Action following decision

(b) A single request for reconsideration or modification of the decision may be made if filed within one month from the date of the original decision, unless the original decision is so modified by the decision on reconsideration as to become, in effect, a new decision, and the Board of Patent Appeals and Interferences so states. The request for reconsideration shall state with particularity the points believed to have been misapprehended or overlooked in rendering the decision and also state all other grounds upon which reconsideration is sought. See 37 CFR § 1.136(b) for extensions of time for seeking reconsideration.

(c) Termination of proceedings. Proceedings are considered terminated by the dismissal of an appeal or the failure to timely file an appeal to the court or a civil action (§ 1.304) except: (1) where claims stand allowed in an application or (2) where the nature of the decision requires further action by the examiner. The date of termination of proceedings is the date on which the appeal is dismissed or the date on which the time for appeal to the court or review by civil action (§ 1.304) expires. If an appeal to the court or a civil action has been filed, proceedings are consid-

ered terminated when the appeal or civil action is terminated. An appeal to the U.S. Court of Appeals for the Federal Circuit is terminated when the mandate is received by the Office. A civil action is terminated when the time to appeal the judgment expires.

6. Section 1.301 is revised to read as follows:

§ 1.301 Appeal to U.S. Court of Appeals for the Federal Circuit.

Any applicant or any owner of a patent involved in a reexamination proceeding dissatisfied with the decision of the Board of Patent Appeals and Interferences, and any party to an interference dissatisfied with the decision of the Board of Patent Appeals and Interferences, may appeal to the U.S. Court of Appeals for the Federal Circuit. The appellant must take the following steps in such an appeal: (a) In the Patent and Trademark Office file a written notice of appeal directed to the Commissioner (see §§ 1.302 and 1.304); and (b) in the Court, file a copy of the notice of appeal and pay the fee for appeal, as provided by the rules of the Court.

7. Section 1.303 is amended by revising paragraph (c) to read as follows:

§ 1.303 Civil Action under 35 U.S.C. 145, 146, 306.

(c) If any adverse party to an appeal taken to the U.S. Court of Appeals for the Federal Circuit by a defeated party in an interference proceeding files notice with the Commissioner within twenty days after the filing of the defeated party's notice of appeal to the court (§ 1.302), that he or she elects to have all further proceedings conducted as provided in 35 U.S.C. 146. The notice of election must be served as provided in § 1.646.

8. Section 1.304 is revised to read as follows:

§ 1.304 Time for appeal or civil action.

(a) The time for filing the notice of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is two months from the date of the decision of the Board of Patent Appeals and Interferences. If a request for reconsideration or modification of the decision is filed within the time provided under § 1.197(b) or § 1.658, the time for filing an appeal or commencing a civil action shall expire two months after action on the request. In interferences, the time for filing a cross-appeal or cross-action expires (1) 14 days after service of the notice of appeal or the summons and complaint or (2) two months after the date of decision of the Board of Patent Appeals and Interferences, whichever is later. The time periods set forth in this section are not subject to the provisions of § 1.136, 1.550(c) or 1.645(a) or (b). The Commissioner may extend the time for filing an appeal or commencing a civil action (1) for good cause shown if requested in writing before the expiration of the period for filing an appeal or commencing a civil action, or (2) upon written request after the expiration of the period for filing an appeal or commencing a civil action upon a showing that the failure to act was the result of excusable neglect. The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross-appeal. See § 1.8(a)(2)(ix).

(b) The times specified in this section in days are calendar days. The times specified herein in months are calendar months except that one day shall be added to any two-month period which includes February 28. If the last day of the time specified for appeal or commencing a civil action falls on a Saturday, Sunday or Federal holiday in the District of Columbia, the time is extended to the next day which is neither a Saturday, Sunday nor a Federal holiday.

(c) If a defeated party to an interference has taken an appeal to the U.S. Court of Appeals for the Federal Circuit and an adverse party has filed notice under 35 U.S.C. 141 electing to have all further proceedings conducted under 35 U.S.C. 146 (§ 1.303(c)), the time for filing a civil action thereafter is specified in 35 U.S.C. 141. The time for filing a cross-action expires 14 days after service of the summons and complaint. The certificate

of mailing practice of § 1.8 is not available for filing a notice of appeal of cross-appeal. See § 1.8(a)(2)(viii).

9. Section 1.550 is amended by revising paragraph (c) to read as follows:

§ 1.550 Conduct of reexamination proceedings

(c) The time for taking any action by a patent owner in a reexamination proceeding will be extended only for sufficient cause, and for a reasonable time specified. Any request for such extension must be filed on or before the day on which action by the patent owner is due, but in no case will the mere filing of the request effect any extension. See § 1.304(a) for extensions of time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action.

10. Section 1.645 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1.645 Extension of time, late papers, stay of proceedings

(a) Except to extend the time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action, a party may file a motion (§ 1.635) seeking an extension of time to take action in an interference. See § 1.304(a) for extensions of time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action. The motion shall be filed within sufficient time to actually reach the examiner-in-chief before expiration of the time for taking action. A moving party should not assume that the motion will be granted even if there is no objection by any other party. The motion will be denied unless the moving party shows good cause why an extension should be granted. The press of other business arising after an examiner-in-chief sets a time for taking action will not normally constitute good cause. A motion seeking additional time to take testimony because a party has not been able to procure the testimony of a witness shall set forth the name of the witness, any steps taken to procure the testimony of the witness, the dates on which the steps were taken, and the facts expected to be proven through the witness.

(b) Any paper belatedly filed, will not be considered except upon motion (§ 1.635) which shows sufficient cause why the paper was not timely filed. See § 1.304(a) for exclusive procedures relating to belated filing of a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or belated commencement of a civil action.

11. Section 1.658 is amended by revising paragraph (b) to read as follows:

§ 1.658 Final Decision

(b) Any request for reconsideration of a decision under paragraph (a) of this section shall be filed within one month after the date of the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. Any reply to a request for reconsideration shall be filed within 14 days of the date of service of the request for reconsideration. Where reasonably possible, service of the request for reconsideration shall be such that delivery is accomplished by hand or "Express Mail." The Board shall enter a decision on the request for reconsideration. If the Board shall be of the opinion that the decision on the request for reconsideration significantly modifies its original decision under paragraph (a) of this section, the Board may designate the decision on the request for reconsideration as a new decision.

PART 2 - RULES OF PRACTICE IN TRADEMARK CASES

12. The authority citation for 37 CFR Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

13. Section 2.129 is amended by revising paragraph (c) to read as follows:

§ 2.129 Oral argument; reconsideration

(c) Any request for rehearing or reconsideration or modification of a decision issued after final hearing must be filed within one month from the date of the decision. A brief in response must be filed within fifteen days from the date of service of the request. The times specified may be extended by order of the Trademark Trial and Appeal Board on motion for good cause.

14. Section 2.144 is revised to read as follows:

§ 2.144 Reconsideration of decision on ex parte appeal

Any request for rehearing or reconsideration, or modification of the decision, must be filed within one month from the date of the decision. Such time may be extended by the Trademark Trial and Appeal Board upon a showing of sufficient cause.

15. Section 2.145 is amended by revising paragraphs (a), (c)(2), (c)(3), (d)(1), (d)(2) and (d)(3) and adding new paragraph (e) to read as follows:

§ 2.145 Appeal to court and civil action.

(a) Appeal to U.S. Court of Appeals for the Federal Circuit. An applicant for registration, or any party to an interference, opposition, or cancellation proceeding or any party to an application to register as a concurrent user, hereinafter referred to as inter partes proceedings, who is dissatisfied with the decision of the Trademark Trial and Appeal Board and any registrant who has filed an affidavit or declaration under section 8 of the Act or who has filed an application for renewal and is dissatisfied with the decision of the Commissioner (§§ 2.165, 2.184), may appeal to the U.S. Court of Appeals for the Federal Circuit. The appellant must take the following steps in such an appeal:

(1) In the Patent and Trademark Office give written notice of appeal to the Commissioner (see paragraphs (b) and (d) of this section);

(2) In the court, file a copy of the notice of appeal and pay the fee for appeal, as provided by the rules of the Court.

(c) ***

(2) Any applicant or registrant in an ex parte case who takes an appeal to the U.S. Court of Appeals for the Federal Circuit waives any right to proceed under section 21(b) of the Act.

(3) Any adverse party to an appeal taken to the U.S. Court of Appeals for the Federal Circuit by a defeated party in an inter partes proceeding may file a notice with the Commissioner within twenty days after the filing of the defeated party's notice of appeal to the court (paragraph (b) of this section), electing to have all further proceedings conducted as provided in section 21(b) of the Act. The notice of election must be served as provided in § 2.119. The certificate of mailing practice of § 1.8 is not available for filing a notice of election. See § 1.8(a)(2)(viii).

(d) Time for appeal or civil action. (1) The time for filing the notice of appeal to the U.S. Court of Appeals for the Federal Circuit (paragraph (b) of this section), or for commencing a civil action (paragraph (c) of this section), is two months from the date of the decision of the Trademark Trial and Appeal Board or the Commissioner, as the case may be. If a request for rehearing or reconsideration or modification of the decision is filed within the time specified in §§ 2.127(b), 2.129(c) or 2.144, or within any extension of time granted thereunder, the time for filing an

appeal or commencing a civil action shall expire two months after action on the request. In inter partes cases, the time for filing a cross-action or a notice of a cross-appeal expires (1) 14 days after service of the notice of appeal or the summons and complaint or (2) two months from the date of the decision of the Trademark Trial and Appeal Board or the Commissioner, whichever is later. The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross-appeal. See § 1.8(a)(2)(ix).

(2) The times specified in this section in days are calendar days. The times specified herein in months are calendar months except that one day shall be added to any two-month period which includes February 28. If the last day of time specified for an appeal, or commencing a civil action falls on a Saturday, Sunday or Federal holiday in the District of Columbia, the time is extended to the next day which is neither a Saturday, Sunday nor a Federal holiday.

(3) If a party to an inter partes proceeding has taken an appeal to the U.S. Court of Appeals for the Federal Circuit and an adverse party has filed notice under section 21(a)(1) of the Act electing to have all further proceedings conducted under section 21(b) of the Act, the time for filing a civil action thereafter is specified in section 21(a)(1) of the Act. The time for filing a cross-action expires 14 days after service of the summons and complaint.

(e) Extensions of time to commence judicial review. The Commissioner may extend the time for filing an appeal or commencing a civil action (1) for good cause shown if requested in writing before the expiration of the period for filing an appeal or commencing a civil action, or (2) upon written request after the expiration of the period for filing an appeal or commencing a civil action upon a showing that the failure to act was the result of excusable neglect.

June 21, 1989

DONALD J. QUIGG
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1105 OG 5]

MISCELLANEOUS

(154) Hearings Before the Board of Appeals

In recent years the backlog of cases awaiting decision by the Board of Appeals has grown substantially. The average time elapsing between filing of the examiner's answer and final disposition is now roughly 17 months. Intensive effort by the Board and greater use of acting examiners-in-chief have been successful in raising the number of dispositions, but at the same time the number of appeals continues to grow. Thus in the first six months of 1974, the Board disposed of 1,193 appeals but received 1,915; in the last half of the year the Board disposed of 1,993 appeals but received 2,179.

In this connection it will be helpful if applicants and attorneys will dispense with oral hearings except where unusual circumstances are present which make a hearing important to the decision. Appeals submitted on brief receive just as careful consideration as those in which oral argument is presented, nor are any implications drawn as to the merits of the appeal from failure to request a hearing. It has been the Board's experience that in the ordinary case the hearing is not of great value in arriving at the ultimate decision.

Appellants are also encouraged to review cases where a hearing has already been requested, with a view to withdrawing the request if it is not necessary. It is particularly important that the Board be given timely notice whenever circumstances prevent the applicant or his representative from the appearing at a scheduled hearing.

Rule 194 (37 CFR 1.194) limits oral argument to thirty minutes unless otherwise ordered by the Board. It has been the Board's experience, however, that effective arguments can be presented in less than thirty minutes in most cases. Effective immediately the Board will be informing appellants in the notices of hearing mailed to them that oral argument will be limited to twenty minutes unless otherwise ordered before the hearing begins.

The assistance of the public will be appreciated.

Mar. 20, 1975.

C. MARSHALL DANN,
*Commissioner of Patents
and Trademarks.*

[933 O.G. 1010]

(155) Hearings Before the Board of Patent Appeals and Interferences

During the past twelve months there has been an increase in the number of ex parte appeals pending before the Board of Patent Appeals and Interferences. In order to address the growing backlog of pending appeals, it is necessary to make the most effective use of the time of Examiners-in-Chief hearing appeals. Significant amounts of time are spent by Examiners-in-Chief preparing for the hearings. In an effort to conserve the time spent in the preparation for hearing by Examiners-in-Chief, notice is hereby given that subsequent to the confirmation of attendance at oral hearing, requests for postponement of the hearing will not be granted in the absence of a showing of dramatically unusual circumstances.

June 6, 1985.

SAUL I. SEROTA,
*Acting Chairman
Board of Patent Appeals
and Interferences.*

[1056 OG 44]

(156) Hearings Before the Board of Patent Appeals and Interferences

Rule 1.3 (37 CFR 1.3) provides that:

"[a]pplicants and their attorneys or agents are required to conduct their business with the Patent and Trademark Office with decorum and courtesy."

Notice is hereby given that persons attending hearings before the Board of Patent Appeals and Interferences are advised that the above provision also applies to dress. If an attendee at a hearing is not appropriately dressed, the attendee may be requested to leave the hearing room.

June 6, 1985.

SAUL I. SEROTA,
*Acting Chairman
Board of Patent Appeals
and Interferences.*

[1056 OG 45]

(157) Access to Interference Settlement Agreements by Government Agencies

Under the provisions of 35 U.S.C. § 135(c), a party to an interference filing a copy of a settlement agreement may request that the copy be kept separate from the file of the interference, and made available only to Government agencies on written request, or to any person on a showing of good cause.

In order to provide the parties with a record of the inspection of such agreements by Government agencies, a representative of an agency will henceforth be required to present a written request, similar to the following, for each interference in which the inspection and/or copying of the agreement(s) is desired:

Date: _____

To: Clerk, Board of Patent Interferences

Pursuant to the provisions of 35 U.S.C. 135(c), please permit the bearer(s) of this letter, to
[] inspect and/or [] copy the settlement agreement(s) filed in

Interference No. The information gained from such inspection and/or copying will be kept in confidence and will not be disclosed to any other person except for official investigative or law enforcement purposes.

.....
Name, Title

.....
Agency

The request will be placed in the folder containing the copy of the agreement, where it may be inspected by the parties or their authorized representatives.

This procedure will be applicable only to inspection or copying by the representatives of Government agencies, since no person other than a representative of a Government agency, or of a party, will be granted access to a copy of an interference settlement agreement which is kept separate from the interference file except by way of a petition for access thereto, see M.P.E.P. § 1002.02(k), item 2, and the parties to the interference are normally provided with copies of any such petition.

LUTRELLE F. PARKER,
*Acting Commissioner of Patents
and Trademarks.*

June 5, 1978.

[972 O.G. 2]

(158) Accessibility of Non-Final Discovery Opinions and Orders Issued by the Board of Patent Interferences

A number of inquiries have been received from the patent bar and other interested persons relating to discovery practice under 37 C.F.R. § 1.287 before the Board of Patent Interferences. The inquiries indicate a need for making available to the public non-final Board opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of discovery matters before the Board. While non-final opinions need not be made available to the public [5 U.S.C. § 552(a)(2)], in order to satisfy the need, copies of non-final opinions issued by the Board will be kept in a file in the Service Branch of the Board in the U.S. Patent and Trademark Office (Crystal Plaza, Building 6, Eleventh Floor, Room 1116, Arlington, Virginia). Opinions in the file may be reviewed by the public during normal business hours (8:30 A.M. to 5:00 P.M.). Copies of opinions may be made by the public on reproducing equipment in the Service Branch with tokens at a cost of \$0.15 per page or copies may be ordered at a cost of \$0.30 per page [37 C.F.R. 1.21(b)].

In view of the provisions of 35 U.S.C. § 122 and 37 C.F.R. § 1.11(a), a consent will be obtained by the Office from all parties in an interference before an opinion issued in connection with the interference is placed in the file if the interference file is not otherwise available to the public. Preliminary indications are that the parties and their counsel generally consent.

In order to obtain optimum dissemination of the information contained in the file, opinions placed therein will be indexed according to specific topics. Copies of the index will be updated from time to time as the need occurs. Specific questions relating to the index and file may be directed to the Patent Interference Examiners.

The initial index is as follows:

Index

- 1.00 Discovery in general [37 C.F.R. § 1.287]
- 1.10 Requests and service under § 1.287(a)
- 1.20 Requests under § 1.287(b)
- 1.30 Motions for additional discovery under § 1.287(c)
- 1.31 Related to derivation
- 1.32 Related to abandonment, suppression, and concealment
- 1.33 Related to inequitable conduct
- 1.34 Other
- 1.40 Motions under § 1.287(d)(1)
- 1.50 Action under § 1.287(d)(2)
- 1.60 Agreements under § 1.287(e)

Mar. 5, 1976

C. MARSHALL DANN,
*Commissioner of Patents
and Trademarks.*

[944 O.G. 2098]

(159)

**Department of Commerce
Patent and Trademark Office
37 CFR Part 1
Docket No. 40104-4151**

Patent Interference Proceedings

Agency: Patent and Trademark Office, Commerce
Action: Final rule.

Summary: The Patent and Trademark Office is amending its rules of practice in patent interference cases. The Patent Law Amendments Act of 1984, Public Law 98-622, §§ 201-202, abolished the Board of Appeals and Board of Patent Interferences and created in their place a Board of Patent Appeals and Interferences which will decide ex parte appeals from adverse decisions of patent examiners and interference cases. The Patent and Trademark Office, through this amendment of its rules, intends to provide guidance on the procedures the Office will be following in conducting interference cases before the Board of Patent Appeals and Interferences.

Date: The effective date of these rules is: Feb. 11, 1985.

For Further Information Contact: Fred E. McKelvey by telephone at (703) 557-4025 (if no answer, message may be left at 703-557-4103) or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: The Patent and Trademark Office (PTO) conducts interference proceedings to determine who as between two or more applicants for patent or one or more applicants and one or more patentees is the first inventor of a patentable invention. Heretofore, the determination was made by a Board of Patent Interferences. The Patent Law Amendments Act of 1984, Public Law 98-622, §§ 201-202 combines the Board of Appeals and the Board of Patent Interferences into a single Board of Patent Appeals and Interferences (Board) and authorizes the Board to consider priority and patentability in interference cases.

In view of the discretion given the Board under 35 U.S.C. § 135(a), as amended by Public Law 98-622 ("The Board . . . may determine questions of patentability . . ."), these new rules will apply to all interferences declared on or after Feb. 11, 1985, except in special circumstances, such as: (1) interferences which are declared as a result of a motion made in another interference which was pending before the Board before Feb. 11, 1985, (e.g., an interference declared as a result of a motion under 37 CFR § 1.231 to declare an additional interference); (2) an interference related to another interference declared prior to Feb. 11, 1985 (e.g., an interference involving a method of using a compound where an interference involving the same parties and the compound was declared prior to Feb. 11, 1985); and (3) an interference reinstated after having been dissolved under the old rules (37 CFR §§ 1.201- 1.288)(e.g., an interference reinstated after having been dissolved as a result of a motion under 37 CFR § 1.231 to dissolve on the grounds of unpatentability where the applicant has obtained allowance of the claims held unpatentable in the decision on motions).

Through these new rules the PTO seeks to improve interference procedure so that the rights of parties in interferences are determined at an early date and the overall process of examining patent applications which become involved in interferences is simplified.

In order to obtain maximum input from the public prior to formally proposing revisions to the rules, on Aug. 1, 1983, the PTO published in the Federal Register an advance notice of proposed rulemaking for interference rules. 48 F.R. 34836-34855. The advance notice was not published in the *Official Gazette*. Twenty-one written comments were received. All comments are available for public inspection in Rm. 10C01, Crystal Gateway II, 1225 Jefferson Davis Hwy., Arlington, Va.

On Jan. 30, 1984, the PTO published in the Federal Register a notice of proposed rulemaking. 49 F.R. 3768-3802. The notice

was also published in the Official Gazette on Feb. 14, 1984. 1039 O.G. 11; 1039 TMOG 11. The notice also appeared in the Bureau of National Affairs' Patent, Trademark & Copyright Journal, Vol. 27, pp. 312-346 (Feb. 2, 1984), hereinafter "BNA." Eighteen written comments were received in response to the notice of proposed rulemaking. The comments are analyzed herein. A hearing was held on May 15, 1984. Three individuals appeared at the hearing. Oral comments made at the hearing are also analyzed herein. The eighteen comments and copy of the transcript of the hearing are available for public inspection in Rm. 10C01, Crystal Gateway II, 1225 Jefferson Davis Hwy., Arlington, Va.

The new rules for interferences are set forth herein in §§ 1.601 through 1.688. The new rules replace entirely the present interference rules (37 CFR §§ 1.201 through 1.288). A "six hundred" number series is used for the new rules. The use of a six hundred number series for the new rules will permit interested individuals to research published decisions (e.g., F.2d, USPQ) or computerized legal research services (e.g., LEXIS) citing the new rules.

An index of the headings of §§ 1.601-1.688 and a table correlating 37 CFR §§ 1.201 through 1.288 (old rules) to §§ 1.601 through 1.688 (new rules) appears below.

Under the new rules, interferences are decided by the Board. The Board has jurisdiction to determine (1) priority of invention, (2) patentability of any claim corresponding to a count both as to applicants and patentees, (3) any issue of interference-in-fact as to any count, and (4) any other issue necessary to resolve the interference. The rules permit an interference to be declared on the basis of a single count defining one patentable invention in interferences involving patents as well as applications. The Board also has jurisdiction to determine whether counts are patentably distinct.

When an interference is declared, an examiner-in-chief is assigned to handle the interlocutory stages of the interference. An examiner having full signatory authority determines when one or more applications or one or more patents and a patent claim the same patentable invention. When the examiner makes such determination, the examiner will forward any involved applications or patents to the Board. The examiner will designate, at the time the involved applications or patents are sent to the Board, the claims of any application and patent which correspond to each count. The examiner-in-chief can subsequently designate additional claims to correspond to a count. The examiner-in-chief assigned to handle the interference will issue a notice to the parties declaring the interference.

The object of the interference will be to resolve all controversies as to all interfering subject matter defined by one or more counts. A final decision in the interference will determine who, if anyone, is entitled to claims which correspond to a count. Any decision adverse to an applicant by the Board will constitute a final refusal by the PTO to that applicant of the claims involved. Any decision adverse to a patentee constitutes cancellation from the patent of the claims involved.

Any decision by the Board on any issue is binding on the examiner and would govern further proceedings in the PTO.

The designation of a single examiner-in-chief to handle the interlocutory phases of an interference will permit better management of, and control over, interference proceedings. The rules provide that times be set and the examiner-in-chief exercise control over proceedings in the interference such that pendency of the interference before the Board from declaration to final decision will not normally exceed 24 months. The examiner-in-chief should be familiar with the history of the interference and will be accessible to counsel for the parties. For example, an examiner-in-chief, where appropriate, may conduct telephone conference calls to obtain agreement of the parties on the setting of schedules. The rules also permit the examiner-in-chief to hold hearings in the PTO or by conference telephone call in order to expedite or settle interlocutory issues in interferences. Any hearing can be transcribed by a court reporter under such conditions as an examiner-in-chief or the Board deems appropriate. The examiner-in-chief, where appropriate, will be available by phone to rule on the admissibility of evidence in the event parties encounter unusual problems during the taking of depositions. The examiner-in-chief will also be available to rule on requests for production of documents which take place during cross-examination. Oral orders given by phone will be followed by written orders.

At the time an interference is declared, the examiner-in-chief will set a time for filing preliminary motions. The preliminary motions can include:

(1) A motion for judgment on the ground that a claim corresponding to the count is not patentable to an opponent under 35 U.S.C. §§ 102, 103, 112, or any other provision of law.

(2) A motion for judgment on the ground that there is no interference-in-fact between the claims of the opponents in the interference.

(3) A motion to add or to substitute new counts, to amend a claim corresponding to a count, to designate an application or patent claim to correspond to a count, to designate an application or patent claim as not corresponding to a count, or to require an applicant to present a claim to be designated to correspond to a count.

(4) A motion to substitute another application for the application involved in the interference or to add an application for reissue to the interference.

(5) A motion to declare another interference.

(6) A motion to be accorded the benefit of an earlier application or to attack the benefit of an earlier application which has been accorded to an opponent.

Other motions are permitted as necessary, such as a motion to amend the count and/or a claim corresponding to the count in response to a preliminary motion for judgment.

Oppositions to motions are permitted if filed within a time set by the examiner-in-chief. Replies are also authorized. Papers which are not authorized by the rules or requested by the examiner-in-chief can be returned unfiled.

A preliminary statement will be filed prior to or concurrently with the preliminary motions outlined above.

Motions will be decided by an examiner-in-chief, who may consult with an examiner on questions of patentability which have not previously been decided by the examiner. The examiner-in-chief may grant a motion, deny a motion, defer consideration on the merits of a motion to final hearing, or take such other action with respect to a motion as may be appropriate, e.g., dismiss an entirely inappropriate motion.

At the time preliminary motions are decided, the preliminary statements will be opened. If a decision on a motion or inspection of the preliminary statement results in entry of an order to show cause why a judgment should not be entered, the party against whom judgment might be entered can request a hearing before the examiner-in-chief and two additional examiners-in-chief. The decision will govern further proceedings. If adverse, the decision will constitute a final agency action. If favorable, the interference will proceed before the examiner-in-chief.

After preliminary motions are decided and assuming judgment does not result, a period may be set for the parties to file motions for additional discovery. The scope of the additional discovery would be the same as under current practice.

When a time period is set for filing discovery motions, or after discovery has closed, the examiner-in-chief will set a period for taking testimony. Any party wishing to take the testimony of a witness can elect to have the testimony of the witness taken by deposition or presented by affidavit. A transcript of an *ex parte* deposition can be used as an affidavit. If an affidavit is presented, the opposing party may then cross-examine on oral deposition. Any redirect will take place at the deposition. The party calling the witness is responsible for securing a court reporter and filing the transcript and record associated with cross-examination of its witness.

In the event a party needs testimony from a third-party who will not appear unless a subpoena is issued, including a hostile witness, direct and cross-examination testimony may be taken on oral deposition. The rules provide that prior authorization of an examiner-in-chief is required before a party can take testimony by issuance of a subpoena under 35 U.S.C. § 494.24. The rule thus adopts the policy of *Sheehan v. Doyle*, 513 F.2d 895, 898, 185 USPQ 489, 492 (1st Cir.), cert. denied, 423 U.S. 874

*It should be recognized that the decision of the Board following the final hearing may not terminate the interference. For example, if the order to show cause resulted from an Examiner-in-chief's grant of a motion for judgment, and the Board after final hearing reversed the Examiner-in-chief's decision, the case might then proceed to the taking of priority testimony. The Board's decision would however be final with regard to the basis of the motion for judgment.

(1975), and *Sheehan v. Doyle*, 529 F.2d 38, 40, 188 USPQ 545, 546 (1st Cir.), cert. denied, 429 U.S. 870 (1976), rehearing denied, 429 U.S. 987 (1976), and rejects the policy announced in *Brown v. Braddick*, 595 F.2d 961, 967, 203 USPQ 95, 101-102 (5th Cir. 1979). Testimony obtained in other proceedings, e.g., another interference or an infringement action, may be used if otherwise admissible.

Under the rules, the Federal Rules of Evidence are made applicable to interferences, except for those portions which relate to criminal actions, juries, and other matters not relevant to interferences. Those portions include:

- (1) Rule 103(c).
- (2) Rule 104(c), (d), and (e).
- (3) The language in Rule 105 which reads "and instruct the jury accordingly."
- (4) Rule 201(g).
- (5) The language in Rule 403 which reads "or misleading the jury."
- (6) Rule 404(a)(1) and (2).
- (7) The word "charge" in Rule 405(b).
- (8) The language "or criminal" and proviso (ii) in Rule 410.
- (9) Rule 412.
- (10) Rule 606.
- (11) The language "whether by an accused" and "other" in the last sentence of Rule 607.
- (12) The provisions of the first sentence of Rule 611 (c) relating to leading questions on direct examination do not apply to statements made in an affidavit authorized to be filed under the rules.
- (13) The language "Except as otherwise provided in criminal proceedings by section 3500 of title 18, United States Code" and "except that in criminal cases when the prosecution elects not to comply, the order shall be one striking the testimony or, if the court in its discretion determines that the interests of justice so require, declaring a mistrial" in Rule 612.
- (14) Rule 614.
- (15) Rule 706.
- (16) The language "excluding, however, in criminal cases matters observed by police officers and other law enforcement personnel" and "and against the Government in criminal cases" in Rule 803(8).
- (17) The language "but not including, when offered by the Government in a criminal prosecution for purposes other than impeachment, judgments against persons other than the second" in Rule 803(22).
- (18) The language "prosecution for homicide or in a" in Rule 804(b)(2).
- (19) The language "A statement tending to expose the declarant to criminal liability and offered to exculpate the accused is not admissible unless corroborating circumstances clearly indicate the trustworthiness of the statement" in Rule 804(b)(3).
- (20) Rule 1101(a), (b), (d)(2), (d)(3), and (e).

The examiner-in-chief will set a period for filing the record and briefs. Oral hearings normally will be held before a panel consisting of the examiner-in-chief assigned to the interference and two other examiners-in-chief. The panel will render a final decision in the interference. Requests for reconsideration are permitted.

In rendering its decision, the Board will consider only that evidence which can be made available to the public under § 1.11(a). Accordingly, the Board will not consider evidence which is submitted under a protective order issued by a court if release of that evidence under § 1.11(a) would be inconsistent with the terms of the court's order.

A final decision of the Board is reviewable in the U.S. Court of Appeals for the Federal Circuit or an appropriate U. S. district court. Any reviewing court can review all aspects of the decision including patentability, priority, and all relevant interlocutory orders, such as denials of discovery.

Except as noted above, these new rules are applicable to all interferences declared on or after Feb. 11, 1985. Interferences declared prior to Feb. 11, 1985, continue to be governed by the prior rules (37 CFR §§ 1.201-1.288 (July 1, 1984)) and will be decided by personnel of the Board of Patent Appeals and Interferences. Actions presently taken by a patent interference examiner or examiners of interferences will be taken by an examiner-in-chief.

An anticipated time schedule for a two-party interference follows.

Sections 1.601 through 1.688 would introduce new concepts in interference practice. Some of the more significant aspects of the rules, as well as some of the new concepts, include the following.

Section 1.1 codifies a practice announced in a Commissioner's Notice of Nov. 28, 1983, "Mailing of Papers to the PTO in Patent Interference Proceedings," 1037 Official Gazette 25 (Dec. 27, 1983) and authorizes a party in an interference to direct mail to the PTO intended for the interference to a special box in the Mail Room for interference papers. Amendments copying claims which are filed prior to the time an interference is declared would continue to be addressed in accordance with § 1.5(a).

Section 1.5 provides that when a paper filed in the PTO concerns an interference which has been declared, it should state the names of the parties (e.g., Smith v. Jones) and the number of the interference. The name of the examiner-in-chief assigned to the interference (§ 1.610) and the name of the party filing the paper should also appear conspicuously on the first page of the paper. Identification of the examiner-in-chief assigned to the interference and the name of the party filing the paper will greatly assist the Board in its administration of interference cases.

Section 1.8 excludes from the certificate of mailing practice any paper in an interference which an examiner-in-chief orders filed by hand or "Express Mail." Papers filed by "Express Mail" in an interference case would be addressed as set forth in § 1.1(e).

Section 1.11 sets forth when the interference file would become available to the public without a petition for access.

Section 1.48 provides that when a request is filed to correct inventorship of an application involved in an interference, the request shall comply with the requirements of § 1.48 and shall be accompanied by a motion under § 1.634. The request will be placed in the file of the application and the motion will be placed in the file of the interference. The request will be decided as part of the interference.

Section 1.138 permits an attorney or agent to sign and file a paper abandoning an application involved in an interference.

Section 1.196 more clearly sets forth the options open to an applicant when the Board makes a new ground of rejection under § 1.196(b). The last sentence of paragraph (b)(1) is intended to clarify practice in certain situations. One situation involves a case where (1) the Board affirms an examiner's rejection of a "first" claim and makes a new ground of rejection under § 1.196(b) of a "second" claim, (2) the applicant elects to have further proceedings before the examiner on the new ground of rejection on the second claim, and (3) those proceedings do not result in a further appeal (i.e., the second claim is allowed or is cancelled). The last sentence of § 1.196(b)(1) permits the Board to make its decision final on the first claim. By making its decision final on the first claim, the time period under § 1.304 for seeking judicial review begins. Another situation involves a case where (1) the Board affirms an examiner's rejection of a claim over reference A, (2) the Board also enters a new ground of rejection of the claim over reference B, (3) the applicant elects to have further proceedings before the examiner on the new ground of rejection, and (4) those proceedings result in applicant overcoming the new ground of rejection based on reference B. The last sentence of § 1.196(b)(1) permits the Board to make its decision final as to its affirmation of the rejection over reference A. Entry of an order making its decision final would start the period under § 1.304 for seeking judicial review. Thus, an applicant does not forego possible judicial review by electing further prosecution before the examiner when a new ground of rejection is made by the Board. Under paragraph (d), a recommendation by the Board that an allowed claim be rejected is binding on the examiner (rather than being a mere recommendation as was previously the case) in the absence of (1) an amendment, (2) showing of facts by affidavit or other appropriate evidence, or (3) both. The last sentence of paragraph (d) is intended to clarify that the Board may enter a final decision in certain circumstances. When the Board affirms an examiner's rejection of a "first" claim and makes a recommendation under paragraph (d) as to a "second" claim, the application is remanded to the examiner and the Board's decision affirming the rejection of the first claim is not a final decision. If proceedings before the examiner on remand do not result in a further appeal (i.e., the second claim is allowed or is cancelled), the Board may then make its decision final as to the first claim. By making its

decision final as to the first claim, the time period under § 1.304 for seeking judicial review starts. Thus, an applicant does not forego judicial review on the first claim merely because of the remand proceedings with respect to the second claim.

Most of the current interference rules (§§ 1.201 through 1.247 and 1.251 through 1.288) are removed, but will continue to govern interferences declared prior to Feb. 11, 1985. Section 1.248 is retained and governs service of papers in all patent cases except interference proceedings. Section 1.646 governs service of papers in interference proceedings.

Under § 1.292, it is intended to modify public use proceedings only to the extent that public use and on sale issues which arise during an interference shall be raised by a preliminary motion under § 1.633(a). There is no fee for filing the motion in the interference, but a fee would continue to be necessary when a petition is filed for institution of a public use proceeding apart from an interference. When a public use proceeding is instituted apart from an interference, the Commissioner will designate an appropriate official to conduct the proceeding including the setting of times for taking testimony under §§ 1.671 through 1.685. There will continue to be no "additional discovery" (see §§ 1.687 and 1.688) in public use proceedings.

Section 1.304 makes clear that the provisions of § 1.136 do not apply when judicial review is sought of a decision of the Board of Patent Appeals and Interferences in (1) a reexamination proceeding or (2) an interference. An extension of time to seek judicial review of a decision of the Board in a reexamination proceeding may be obtained under § 1.550(c). An extension of time to seek judicial review of a decision of the Board in an interference proceeding may be obtained under § 1.645. Section 1.304 also establishes an "excusable neglect" standard for seeking judicial review in interference cases when a notice of appeal is untimely filed or a civil action is not timely commenced. The excusable neglect standard is intended to be the same as the standard under Rule 4(a)(5) of the Federal Rules of Appellate Procedure.

Section 1.322 provides that when a request for a certificate of correction under 35 U.S.C. § 254 (PTO mistake) is filed to make a correction of a patent involved in an interference, the request shall comply with the requirements of § 1.322 and shall be accompanied by a motion under § 1.635. The request will be placed in the file of the patent and the motion will be placed in the file of the interference. The request will be decided as part of the interference.

Section 1.323 provides that when a request for a certificate of correction under 35 U.S.C. § 255 (patentee's mistake) is filed to make a correction of a patent involved in an interference, the request shall comply with the requirements of § 1.323 and shall be accompanied by a motion under § 1.635. The request will be placed in the file of the patent and the motion will be placed in the file of the interference. The request will be decided as part of the interference.

Section 1.324 provides that when a request is filed to correct inventorship of a patent involved in an interference, the request shall comply with the requirements of § 1.324 and shall be accompanied by a motion under proposed § 1.634. The request will be placed in the file of the patent and the motion will be placed in the file of the interference. The request will be decided as part of the interference.

Section 1.565 provides that when a patent is involved in an interference proceeding and a reexamination proceeding, both the interference proceeding and the reexamination proceeding will continue unless one of the proceedings is stayed. A stay of a reexamination proceeding will be made by the Commissioner. A stay of an interference proceeding will be made by an examiner-in-chief, subject to review by the Commissioner. Section 1.565 continues the present practice of the Commissioner determining in every instance whether to stay a reexamination proceeding when the patent involved in the reexamination proceeding is sought to be reissued or becomes involved in litigation.

Under § 1.601, the rules shall be construed to secure the just, speedy, and inexpensive determination of interferences. Section 1.601 defines various terms used in Subpart E including "additional discovery," "affidavit," "case-in-chief," "case-in-rebuttal," "count," "effective filing date," "filing date," "interference," "interference-in-fact," "junior party," "lead attorney," "party," "phantom count," "same patentable invention," "separate patentable invention," "senior party," "sworn," and "United States."

"Affidavits" include declarations under 35 U.S.C. § 25 and 37 CFR § 1.68 as well as statutory declarations under 28 U.S.C. § 1746. The definition of "United States" is the same as the definition of United States in 35 U.S.C. § 100(c).

The definition of "interference" permits an interference between one or more applications and one or more patents. Thus, these new rules follow the policy of *Wilson v. Yakel*, 1876 Dec. Comm'r. Pat. 245 (Comm'r. Pat. 1876) and, to the extent inconsistent therewith, do not follow the policy announced in *Touval v. Newcombe*, 194 USPQ 509 (Comm'r. Pat. 1976). However, in view of the statutory requirement for the presence of at least one application in an interference, if an applicant were to concede priority or otherwise be terminated from an interference involving only one application and more than one patent, the interference would have to be terminated for lack of subject matter jurisdiction unless one or more of the patentees filed an application for reissue which could be added to the interference under § 1.633(h). A "count" defines interfering subject matter. An interference may have two counts only if the second count defines a "separate patentable invention" from the first count. The reason the second count must define a separate patentable invention is to permit the PTO to lawfully issue separate patents to different parties in an interference when a single party does not prevail as to all counts. A "separate patentable invention" is defined in § 1.601(n):

Invention (A) is a "separate patentable invention" with respect to invention (B) when invention (A) is new (35 U.S.C. § 102) and non-obvious (35 U.S.C. § 103) in view of invention (B) assuming invention (B) is prior art with respect to invention (A).

Section 1.602(a) continues the present PTO practice (37 CFR § 1.201(c)) of not declaring or continuing an interference between (1) two or more applications owned by the same party or (2) an application and a patent owned by a single party unless good cause is shown. A corporation and its wholly-owned subsidiary are considered a "single party" within the meaning of § 1.602(a). Under prior rules, when a patent and an application involved in an interference became commonly owned, the interference was not "dissolved." Rather, the PTO required that the interference be terminated with a judgment. *Chillas v. Weisberg*, 1928 Dec. Comm'r. Pat. 24 (Comm'r. Pat. 1928); *Malone v. Toth*, 202 USPQ 397 (Comm'r. Pat. 1978); and *Morehouse v. Armbruster*, 209 USPQ 514 (Comm'r. Pat. 1980). Under these new rules, all interferences, including those involving only applications, will be terminated with a judgment. As noted in *Chillas v. Weisberg*, supra at 25 "the common owner can allow a judgment against the junior party to be rendered by default or it can file a concession of priority from one party to the other." Paragraphs (b) and (c) of § 1.602 continue the present PTO practice (37 CFR § 1.201(c)) of requiring a party to notify the PTO of any real party in interest not apparent on the face of the notice declaring the interference (see § 1.611) or of any change in the real party in interest after the interference is declared. The PTO needs to know the identity of any real party in interest to properly enforce § 1.602(a) and to enable an examiner-in-chief to determine whether recusal is necessary or appropriate. A new requirement in paragraphs (b) and (c), not present in 37 CFR § 1.201(c), is a 20-day time period for advising the PTO of the identity of, or any change in, the real party in interest.

Under §§ 1.601(f), 1.603, and 1.606, the interfering subject matter would be defined by one or more counts. All the claims in an application or a patent which define the same patentable invention as a count would be designated to correspond to the count. An interference would have two counts only if one count defines a separate patentable invention from another count. Under § 1.606, at the time an interference is declared between a patent and an application, a count would not be narrower in scope than any patent claim which corresponds to the count. Thus, a patent claim would be presumed, subject to a motion under § 1.633(c), not to embrace "separate patentable inventions." Some examples illustrate how the PTO would formulate counts and designate patent and application claims to correspond to counts.

Example 1: Application A contains patentable claim 1 (engine). Application B contains patentable claim 8 (engine). If an interference is declared, there would be one count (engine). Claim 1 of application A and claim 8 of application B would be designated to correspond to the count.

Example 2: Application C contains patentable claims 1 (engine) and 2 (6-cylinder engine). Application D contains patentable claim 8 (engine). An engine and a 6-cylinder engine define the same patentable invention. If an interference is declared, there would be one count (engine). Claims 1 and 2 of application C and claim 8 of application D would be designated to correspond to the count.

Example 3: Application E contains patentable claims 1 (engine), 2 (6-cylinder engine), and 3 (engine with a platinum piston). Application F contains patentable claims 11 (engine) and 12 (8-cylinder engine). Claims 1 and 2 of application E and claims 11 and 12 of application F define the same patentable invention. Claim 3 of application E defines a separate patentable invention from claims 1 and 2 of application E and claims 11 and 12 of application F. If an interference is declared, there would be one count (engine). Claims 1 and 2 of application E and claims 11 and 12 of application F would be designated to correspond to the count. Claim 3 of application E would not be designated to correspond to the count.

Example 4: Application G contains patentable claims 1 (engine), 2 (6-cylinder engine), and 3 (engine with a platinum piston). Application H contains patentable claims 11 (engine) and 15 (engine with a platinum piston). Claims 1 and 2 of application G and claim 11 of application H define the same patentable invention. Claim 3 of application G and claim 15 of application H define a separate patentable invention from claims 1 and 2 of application G and claim 11 of application H. If an interference is declared, there would be two counts: Count 1 (engine) and Count 2 (engine with a platinum piston). Claims 1 and 2 of application G and claim 11 of application H would be designated to correspond to Count 1. Claim 3 of application G and claim 15 of application H would be designated to correspond to Count 2.

Example 5: Application J contains patentable claims 1 (engine), 2 (combination of an engine and a carburetor) and 3 (combination of an engine, a carburetor, and a catalytic converter). Application K contains patentable claims 31 (engine), 32 (combination of an engine and a carburetor), and 33 (combination of an engine, a carburetor, and an air filter). The engine, combination of an engine and carburetor, and combination of an engine, carburetor, and air filter define the same patentable invention. The combination of an engine, carburetor, and catalytic converter define a separate patentable invention from engine. If an interference is declared, there would be one count (engine). Claims 1 and 2 of application J and claims 31, 32, and 33 of application K would be designated to correspond to the count. Claim 3 of application J would not be designated as corresponding to the count.

Example 6: The PTO will continue to follow *Waldeck v. Lewis*, 120 USPQ 88 (Comm'r. Pat. 1955). Application L contains patentable claims 1 (Markush group of benzene or toluene), 2 (benzene), and 3 (toluene). Application M contains patentable claim 11 (benzene). Benzene and toluene define the same patentable invention. If an interference is declared, there would be one count (Markush group of benzene or toluene). Claims 1, 2, and 3 of application L and claim 11 of application M would be designated to correspond to the count.

Example 7: Application N contains patentable claim 1 (benzene). Application P contains patentable claim 11 (xylene). Benzene and xylene define the same patentable invention. If an interference is declared, there would be one count (benzene or xylene). Claim 1 of application N and claim 11 of application P would be designated to correspond to the count.

Example 8: Application Q contains patentable claims 1 (Markush group of benzene or chloroform), 2 (benzene), and 3 (chloroform). Application R contains patentable claim 33 (benzene). If benzene and chloroform define the same patentable invention and an interference is declared, there would be one count (Markush group of benzene or chloroform). Claims 1, 2, and 3 of application Q and claim 33 of application R would be designated to correspond to the count. If chloroform defines a separate patentable invention from benzene and an interference is declared, there would be one count (benzene). Claims 1 and 2 of application Q and claim 33 of application R would be designated to correspond to the count. Claim 3 of application Q would not be designated to correspond to the count.

Example 9: Application S contains patentable claims 1 (Markush group of benzene or chloroform), 2 (benzene), and 3 (chloroform). Application T contains patentable claims 11

(Markush group of benzene or chloroform), 12 (benzene), and 13 (chloroform). If benzene and chloroform define the same patentable invention and an interference is declared, there would be one count (Markush group of benzene or chloroform). Claims 1, 2, and 3 of application S and claims 11, 12, and 13 of application T would be designated to correspond to the count. The PTO will continue to adhere to *Becker v. Patrick*, 47 USPQ 314 (Comm'r. Pat. 1939). An interference can have two counts only if one count defines a separate patentable invention from another count. If chloroform defines a separate patentable invention from benzene and an interference is declared, there would be two counts: Count 1 (benzene) and Count 2 (chloroform). Claims 1 and 2 of application S and claims 11 and 12 of application T would be designated to correspond to Count 1. Claims 1 and 3 of application S and claims 11 and 13 of application T would be designated to correspond to Count 2.

Example 10: Patent A contains claim 1 (engine). Application U contains patentable claim 11 (engine). If an interference is declared, there would be one count (engine). Claim 1 of patent A and claim 11 of application U would be designated to correspond to the count.

Example 11: Patent B contains claims 1 (engine) and 2 (6-cylinder engine). Application V contains patentable claim 8 (engine). An engine and a 6-cylinder engine define the same patentable invention. If an interference is declared, there would be one count (engine). Claims 1 and 2 of patent B and claim 8 of application V would be designated to correspond to the count.

Example 12: Patent C contains claims 1 (engine), 2 (6-cylinder engine), and 3 (engine with a platinum piston). Application W contains patentable claims 11 (engine) and 12 (8 cylinder engine). Claims 1 and 2 of patent C and claims 11 and 12 of application W define the same patentable invention. Claim 3 of patent C defines a separate patentable invention from claims 1 and 2 of patent C and claims 11 and 12 of application W. If an interference is declared, there would be one count (engine). Claims 1 and 2 of patent C and claims 11 and 12 of application W would be designated to correspond to the count. Claim 3 of patent C would not be designated to correspond to the count.

Example 13: Patent D contains claim 1 (engine), 2 (6-cylinder engine), and 3 (engine with a platinum piston). Application X contains patentable claims 11 (engine) and 15 (engine with a platinum piston). Claims 1 and 2 of patent D and claim 11 of application X define the same patentable invention. Claim 3 of patent D and claim 15 of application X define a separate patentable invention from claims 1 and 2 of patent D and claim 11 of application X. If an interference is declared, there would be two counts: Count 1 (engine) and Count 2 (engine with a platinum piston). Claims 1 and 2 of patent D and claim 11 of application X would be designated to correspond to Count 1. Claim 3 of patent D and claim 15 of application X would be designated to correspond to Count 2.

Example 14: Patent E contains claims 1 (Markush group of benzene or toluene), 2 (benzene), and 3 (toluene). Application Y contains patentable claim 11 (benzene). Benzene and toluene define the same patentable invention. If an interference is declared, there would be one count (Markush group of benzene or toluene). Claims 1, 2, and 3 of patent E and claim 11 of application Y would be designated to correspond to the count.

Example 15: In this example, the claims of patent E and application Y in Example 14 are reversed. Patent E contains claim 1 (benzene). Application Y contains patentable claims 11 (Markush group of benzene or toluene), 12 (benzene), and 13 (toluene). If an interference is declared, the count would be the same as the count in Example 14—(Markush group of benzene or toluene). Claim 1 of patent E and claims 11, 12, and 13 of application Y would be designated to correspond to the count.

Example 16: The PTO will continue to follow cases such as *Case v. CPC International, Inc.*, 730 F.2d 745, 221 USPQ 196 (Fed. Cir. 1984); cert. denied, 105 S.Ct. 233 (1984); *Aelony v. Arni*, 547 F.2d 566, 192 USPQ 486 (CCPA 1977); and *Nitz v. Ehrenreich*, 537 F.2d 539, 190 USPQ 413 (CCPA 1976), and declare interferences where interfering patent and application claims are mutually exclusive provided the claims define the same patentable invention. Patent F contains claim 1 (benzene). Application Z contains patentable claim 11 (xylene). Benzene and xylene define the same patentable invention. If an interference is declared, there would be one count (benzene or xylene).

Claim 1 of patent F and claim 11 of application Z would be designated to correspond to the count.

Example 17: It will be the practice of the PTO under § 1.606 to initially declare interferences with counts which are identical to or broader than patent claims which correspond to the counts. A single patent claim would be presumed, subject to a motion under § 1.633(c), not to define separate patentable inventions. Patent G contains claim 1 (Markush group of benzene or chloroform), 2 (benzene), and 3 (chloroform). Application AA contains patentable claim 33 (benzene). If an interference is declared, initially it would be presumed by the PTO, subject to a later motion under § 1.633(c), that benzene and chloroform define the same patentable invention. There would be one count (Markush group of benzene or chloroform). Claims 1, 2, and 3 of patent G and claim 33 of application AA would be designated to correspond to the count. If a party believes benzene and chloroform define separate patentable inventions, that party could file a motion under § 1.633(c) to redefine the count and the claims corresponding to the counts.

Example 18: Patent H contains claims 1 (Markush group of benzene or chloroform), 2, (benzene), and 3 (chloroform). Application AB contains patentable claims 11 (Markush group of benzene or chloroform), 12 (benzene), and 13 (chloroform). Benzene and chloroform initially would be presumed, subject to a motion under § 1.633(c), to define the same patentable invention, because they are recited as a Markush group in a single patent claim. If an interference is declared, there would be one count (Markush group of benzene or chloroform). Claims 1, 2, and 3 of patent H and claims 11, 12, and 13 of application AB would be designated to correspond to the count. If a party believes benzene and chloroform define separate patentable inventions, the party could move under § 1.633(c) to substitute a count (benzene) for (Markush group of benzene or chloroform) and to add a count (chloroform). See Example 36.

Example 19: Under § 1.606, the PTO will continue to follow the practice announced in *Ex parte Card and Card*, 1904 Dec. Comm'r. Pat. 383 (Comm'r. Pat. 1904). Patent J contains claim 1 (method of mixing, grinding, and heating). Application AC contains patentable claim 8 (method of mixing and heating) and does not disclose or claim a grinding step. In the context of the inventions disclosed in patent J and application AC, a method of mixing, grinding, and heating is the same patentable invention as a method of mixing and heating. Under current practice, it would be said that "grinding" is an "immaterial" limitation in claim 1 of patent J. Under § 1.606, the fact application AC does not disclose grinding would not preclude an interference. If an interference is declared, there would be one count (method of mixing and heating). Claim 1 of patent J and claim 8 of application AC would be designated to correspond to the count.

Under § 1.605, timely filing of an amendment presenting a claim suggested by the examiner for purposes of an interference would stay *ex parte* proceedings in the application in which the claim is presented pending a determination by the examiner of whether an interference will be declared. Also under § 1.605(a), when an examiner suggests a claim, the applicant will be required to copy verbatim the suggested claim. At the time the suggested claim is copied, however, the applicant may also (1) call the examiner's attention to other claims already in the application or which are presented with the copied claim and (2) explain why the other claims would be more appropriate to be included in any interference which may be declared.

Under § 1.607(b), when an applicant seeks an interference with a patent, e.g., by copying claims from the patent, examination of the application including any appeal would be handled with special dispatch within the PTO. "Special dispatch" would be construed to be the same as special dispatch in a reexamination proceeding. See 35 U.S.C. § 305.

Under § 1.608, the PTO will continue current practice (37 CFR § 1.204(c)) of requiring an applicant seeking to provoke an interference with a patent to submit evidence which demonstrates that the applicant is *prima facie* entitled to a judgment relative to the patentee. Evidence would be submitted only when the earlier of the filing date or effective filing date of the application is more than three months after the earlier of the filing date or effective filing date under 35 U.S.C. § 491.20 of the patent. The evidence may relate to patentability and need not be restricted to priority. When the evidence (1) consists of prior printed publications and patents and (2) shows that the claims of the application are not patentable, the claims in the application

would be rejected and the applicant could file a request for reexamination of the patent.

Section 1.609 sets forth what an examiner shall forward to the Board when an interference is declared. For the most part, § 1.609 continues current practice. However, under § 1.609(b)(3), the examiner would identify all claims in an application which the examiner believes are patentable over the proposed counts. Thus, a claim in an application would either correspond to a count or would be indicated as being patentable over the count. For instance, in Example 3, *supra*, the examiner would indicate that (1) claims 1 and 2 of application E and claims 11 and 12 of application F correspond to the count and (2) claim 3 of application E defines a separate patentable invention from the count.

Under § 1.610, each interference will be declared by an examiner-in-chief. The examiner-in-chief enters all interlocutory orders in the interference. As necessary, another examiner-in-chief may act in place of the examiner-in-chief assigned to the interference. At the discretion of the examiner-in-chief assigned to the interference, a panel of two or more examiners-in-chief may enter an interlocutory order. The examiner-in-chief will set times and control proceedings such that pendency of the interference normally will not exceed 24 months. Under § 1.610(d), the examiner-in-chief is authorized to hold conferences. Any conference can be by a telephone conference call. Under § 1.610(e), an examiner-in-chief is authorized to determine a proper course of conduct for any situation not specifically covered by the rules.

Under § 1.611(a), the PTO will normally notify each party at its correspondence address (37 CFR § 1.33(a)) that an interference is declared. This practice will save the PTO the administrative burden of sending multiple notices as is required by the present rules. Under § 1.611(a), the PTO could, in an appropriate circumstance, also send a notice to a patentee or an assignee. An appropriate circumstance for sending an additional notice would be a situation where a patent was issued on the basis of an application filed under 37 CFR § 1.47. The matters to be specified in a notice declaring an interference are set out in § 1.611(c). One item to be set out is the "order of the parties," meaning the order in which the parties will take testimony. If Jones is the junior party and Smith is the senior party, the order of the parties is: Jones v. Smith. The order of the parties may change as a result of the granting of a motion under § 1.633(d), (f), or (g). Under § 1.611(d), the notice declaring the interference may also set dates for filing preliminary statements, notices that preliminary statements have been filed, motions under § 1.633, oppositions to those motions, and replies to the oppositions. Alternatively, an examiner-in-chief may set those times in a separate order before or after consultation with counsel for the parties. Under § 1.611(e), the PTO may place a notice in the *Official Gazette* each time an interference is declared involving a patent. The notice would make it easier for patent practitioners throughout the country to determine whether a given patent is or has been involved in an interference.

Under § 1.612, except for affidavits under § 1.131 and any evidence and explanation under § 1.608(b) filed separate from an amendment, each party shall have access to the file of every other party after an interference is declared. The files of applications and patents involved in an interference will be maintained if the Service Branch of the Board of Patent Appeals and Interferences for inspection and copying. Any explanation which is filed as part of an amendment or an amendment which discusses details contained in an affidavit under § 1.131 would not be sealed under § 1.612(a). Thus, § 1.612(a) continues the practice discussed in *Moorman v. Martin*, 103 USPQ 273 (Comm'r. Pat. 1950) and *Calvert, An Overview of Interference Practice*, 62 J. Pat. Off. Soc'y 290, 293 (1980). Under § 1.612(b), each party will have access to an opponent's affidavit under § 1.131 or an opponent's evidence and explanation under § 1.608(b) when a decision is rendered on motions under § 1.633. Under § 1.612(c), a party would be required to serve any evidence and explanation under § 1.608(b) if an order to show cause is issued under § 1.617(a) and the party responds to the order under § 1.617(b). Under § 1.612(d), the parties may agree to exchange copies of their respective files.

Under § 1.613(a), when a party has appointed more than one attorney or agent of record, the party may be required to designate a "lead" attorney or agent. A lead attorney or agent would be a registered attorney or agent of record who is primarily responsible for prosecuting an interference on behalf of a party and is the individual whom an examiner-in-chief can contact to

set times and take other action in the interference. Section 1.613(b) continues the practice of not permitting the same attorney or agent to represent two or more parties in an interference except as permitted by Chapter 1, see e.g., § 1.344. Under § 1.613(c), an examiner-in-chief can make an appropriate inquiry to determine whether an attorney or agent should be disqualified from representing a party. A final decision to disqualify an attorney or agent is made by the Commissioner under 35 U.S.C. § 32.

Section 1.614 specifies when the Board gains jurisdiction over an interference. The section also indicates when an interference becomes a contested case within the meaning of 35 U.S.C. § 24. A remand to the examiner is authorized and may be useful in certain situations, such as, when a party moves under § 1.633(c) to add a proposed count which is broader than any count in an interference. Alternatively, an examiner-in-chief would be able to obtain informal opinions from examiners during the course of an interference. Nothing in the rules, however, is intended to authorize informal conferences between an examiner-in-chief and an examiner with respect to the merits of an application before the Board in an ex parte appeal from an adverse decision of the examiner.

Section 1.616 permits an examiner-in-chief or the Board to impose appropriate sanctions against a party who fails to comply with the rules or with an order entered in the interference. Paragraphs (a) through (e) set forth some of the possible sanctions which can be entered. The particular sanction to be entered would depend on the facts of a given case and ordinarily would not be entered prior to giving the affected party an opportunity to present its views. An individual examiner-in-chief could not impose a sanction granting judgment inasmuch as entry of a judgment requires action by the Board. See § 1.610(a). A party desiring sanctions imposed against an opponent could move under § 1.635 for entry of an order imposing sanctions.

Section 1.617 retains summary judgment proceedings in those cases where a junior party applicant is required to file evidence and an explanation under § 1.608(b). To avoid summary judgment, the junior party applicant must establish that it is prima facie entitled to judgment relative to the senior party patentee. For the most part, practice under § 1.617 will be the same as the current practice under 37 CFR § 1.228. The major changes would be the following: (1) A prima facie case could be based on patentability as well as priority. (2) A stricter standard would be imposed for presenting additional evidence after entry of an order to show cause. Under current practice (37 CFR § 1.228), additional evidence may be submitted with a response to an order to show cause "when a showing in excuse of . . . [its] omission from the original" showing is made. The "good cause" showing required by § 1.617(b) imposes a stricter standard than was required under the prior rules. The stricter standard is necessary to encourage applicants copying claims from a patent to better prepare their initial showings under proposed § 1.608(b). Under current practice, the Board of Patent Interferences has found that substantial time is lost in issuing orders to show cause based on an inadequate initial showing only to have an adequate showing made with the response to the order to show cause. Under the "good cause" standard, ignorance by a party or counsel of the provisions of the rules or the substantive requirements of the law would not constitute good cause. (3) When an interference involves more than two parties, all opponents would be permitted to participate in summary judgment proceedings. Thus, the new rules overrule *Chan v. Akiba v. Clayton*, 189 USPQ 621 (Comm'r. Pat. 1975). (4) Currently, an applicant must file two copies of its initial showing under 37 CFR § 1.204(c). Under § 1.608(b), a party would file only one copy of the showing. However, any party responding to an order to show cause would be required to serve a copy of its initial showing under § 1.608(b) with any response to the order to show cause. (5) A single examiner-in-chief may order an interference to proceed after issuance of an order to show cause under § 1.608(b) and the filing of a response by an applicant under § 1.617(b). Only the Board, however, may enter a summary judgment. See § 1.617(b).

Under § 1.618, the PTO has authority to return to a party any paper presented in an interference which is not authorized by, or is not in compliance with the requirements of, Subpart E. When an improper paper is filed, a party may be given an opportunity to file a proper paper under such conditions as an examiner-in-chief may deem appropriate. Two examples of improper papers

are: (1) replies to replies which are not authorized by the rules and (2) papers presented which have attached thereto a paper previously filed in the interference.

Sections 1.621 through 1.629 govern preliminary statements which continue to be required in interference cases.

Under § 1.621, a preliminary statement can be signed by any individual having knowledge of the facts (e.g., the inventor) or by an attorney or agent of record. Permitting an attorney or agent of record to sign a preliminary statement eliminates unnecessary mailing of papers between parties and their attorney or agent.

Under § 1.622, the preliminary statement would identify the inventor who made the invention defined by each count. If the inventor identified in the preliminary statement is not an inventor named in the application or patent involved in the interference, a motion under § 1.634 must be diligently filed to correct inventorship.

Sections 1.623, 1.624, and 1.625 respectively set out the allegations which should be made in, and the attachments which should accompany, a preliminary statement when (1) the invention was made in the United States, (2) the invention was made abroad and was introduced into the United States, and (3) derivation by an opponent from a party is to be an issue.

Section 1.626 permits a party to file a preliminary statement which states that the party only intends to rely on the filing date of an earlier United States or foreign application. Ordinarily, a junior party who fails to file a preliminary statement is not entitled to access to any other preliminary statement filed (see § 1.631(b)). Section 1.626 would permit a junior party who only intends to rely on an earlier application to have access to any opponent's preliminary statement.

Section 1.628 sets out how an error in a preliminary statement may be corrected.

Section 1.629 sets out the effect of a preliminary statement. A party who fails to file a preliminary statement will not be permitted to prove (1) that the party made the invention defined by a count prior to the party's filing date or (2) that an opponent derived the invention from the party.

Under § 1.631, preliminary statements normally will be opened for inspection when an examiner-in-chief decides preliminary motions filed under § 1.633. A junior party who does not file a preliminary statement is not entitled to access to a preliminary statement of any other party. When an interference is terminated before preliminary statements are opened, any preliminary statement which has been filed will be returned unopened to the party who submitted the statement.

Under § 1.632, a notice must be filed by a party who intends to argue that an opponent abandoned, suppressed, or concealed an actual reduction to practice. 35 U.S.C. § 102(g). A party will not be permitted to brief (§ 1.656) or argue at final hearing (§ 1.654) that an opponent abandoned, suppressed, or concealed an actual reduction to practice unless the notice is timely filed. A notice is timely if filed within ten (10) days of the close of the testimony-in-chief period of an opponent. While a party has the burden of proving that an opponent abandoned, suppressed, or concealed, the burden may be discharged on the basis of the opponent's evidence alone. *Shindelar v. Holdeman*, 628 F.2d 1337, 207 USPQ 112 (CCPA 1980). See also *Correge v. Murphy*, 705 F.2d 1326, 217 USPQ 753 (Fed. Cir. 1983); *Horwath v. Lee*, 564 F.2d 948, 195 USPQ 701 (CCPA 1977); and *Peel v. Miller*, 535 F.2d 647, 190 USPQ 117 (CCPA 1976). Under current practice where notice is not required, it is possible that a party may learn for the first time that abandonment, suppression, or concealment is an issue when the party receives an opponent's brief at final hearing. See *Kluq v. Wood*, 212 USPQ 767, 771 n. 2 (Bd. Pat. Int. 1981). At that point, it is often too late to reopen proceedings in the interference. The purpose of requiring the notice under § 1.632 is to make the parties and the Board aware during the interlocutory stage of an interference that abandonment, suppression, or concealment may be an issue in the interference. Early notice will permit the parties to ask for and the examiner-in-chief to set appropriate testimony periods for a party to present evidence related to abandonment, suppression, and concealment, particularly in those cases where long unexplained delays tend to prove the allegation of suppression or concealment. Early notice will also eliminate the need for the party moving to reopen the testimony period. *Klug v. Wood*, supra.

Under § 1.633, a party may file preliminary motions for judgment, to redefine the interference, to substitute a different

application in the interference, to declare an additional interference, to be accorded the benefit of an earlier application, to attack benefit previously accorded an opponent, or to add a reissue application to the interference. The motions are called "preliminary motions" in order to distinguish the motions from other motions which might be filed during the course of an interference. The preliminary motions would replace motions currently authorized by 37 CFR § 1.231.

Under § 1.633(a), a motion to dissolve would be replaced with a motion for judgment. A party can file a motion for judgment on the ground that an opponent's claim corresponding to a count is unpatentable to the opponent. With two exceptions, unpatentability can be based on prior art (35 U.S.C. §§ 102, 103), insufficiency of disclosure (35 U.S.C. § 112, first paragraph), indefiniteness of claims (35 U.S.C. § 112, second paragraph), double patenting, estoppel, or any other ground which would support a holding that claims corresponding to a count are not patentable. The two exceptions are (1) priority of invention of the subject matter of a count by the moving party as against any opponent and (2) derivation of the subject matter of a count by the opponent from the moving party. The two exceptions are directed to issues which are traditional "priority" issues, e.g., which inventor made the invention defined by a count first or, when derivation is an issue, who made the invention. Resolution of those "priority" issues almost always requires the taking of testimony. A motion for judgment, however, would be proper when a party believed an individual not involved in the interference made the invention defined by the count prior to an opponent in the interference, but subsequent to the moving party. Thus, a patentability issue, such as that raised under 35 U.S.C. § 102(g) in *Sutter Products Co. v. Pettibone Mulliken Corp.*, 428 F.2d 639, 166 USPQ 100 (7th Cir. 1970), properly could be raised with a motion for judgment under § 1.633(a). Derivation by an opponent from an individual not involved in the interference could also be raised under § 1.633(a).

Under § 1.633(b), a party could move for a judgment when the party believes there is no interference-in-fact. A motion for judgment on the ground of no interference-in-fact is only proper under one of three conditions: (1) when an interference involves designs, (2) when the interference involves plant applications or a plant application and plant patent, or (3) when no claim of a party which corresponds to a count is identical to any claim of an opponent which corresponds to that count. An example illustrates when a motion under § 1.636(b) is proper.

Example 20: Application AD contains patentable claim 1 (6-cylinder engine). Application AE contains patentable claim 3 (8-cylinder engine). An interference is declared with a single count (6 or 8-cylinder engine). Claim 1 of application AD and claim 3 of application AE are designated to correspond to the count. Applicant AD believes that a 6-cylinder engine is a "separate patentable invention" (see § 1.601(n)) from an 8-cylinder engine. Applicant AD would file a motion under § 1.633(b) for a judgment on the ground of no interference-in-fact stating why a 6-cylinder engine is patentably distinct from an 8-cylinder engine. If the Board ultimately agrees with applicant AD, a patent could issue to AD containing claim 1 of application AD and a second patent could issue to AE containing claim 3 of application AE.

Under § 1.633(c), a party may move to redefine interfering subject matter. One way to redefine interfering subject matter would be to add or substitute a count. When a party seeks to add a count, the party is required to demonstrate that the proposed count to be added is directed to a "separate patentable invention" from every other count in the interference.

A motion may be filed to amend an application claim which has already been designated to correspond to a count. See § 1.633(c)(2). Such a motion might be filed when a party believes an application claim designated to correspond to a count is unpatentable and the amended claim is believed to be patentable.

An applicant may move to add a claim to the applicant's application and to designate the claim to be added to correspond to a count. See § 1.633(c)(2). Such a motion may be filed when the applicant discloses specific subject matter which is not claimed, would like to claim the subject matter, and wants the subject matter involved in the interference.

Another way to redefine interfering subject matter would be to designate a claim as corresponding or not corresponding to a count. See § 1.633(c)(3) and (c)(4). Examples 21 and 22 illustrate this latter point.

Example 21: Application AF contains patentable claim 1 (engine). Patent K contains claims 3 (engine) and 5 (6-cylinder engine). Claim 1 of application AF and claim 3 of patent K are designated to correspond to the count. Applicant AF believes a 6-cylinder engine is the "same patentable invention" (see § 1.601(n)) as engine. Applicant AF would file a motion under § 1.633(c)(3) to designate claim 5 of patent K as corresponding to the count. If the motion is granted and applicant AF prevails in the interference, judgment would be entered against patentee K and both claims 3 and 5 of patent K would be cancelled under 35 U.S.C. § 135(a).

Example 22: Application AG contains patentable claim 1 (engine). Patent L contains claims 3 (engine) and 5 (8-cylinder engine). An interference is declared with one count (engine). Claim 1 of application AG and claims 3 and 5 of patent L are designated to correspond to the count. Patentee L believes that an 8-cylinder engine defines a "separate patentable invention" (see § 1.601(n)) from engine. Patentee L should file a motion under § 1.633(c)(4) to designate claim 5 of patent L as "not corresponding" to the count. If the motion is granted and an adverse judgment is entered against patentee L, only claim 3 would be cancelled from the patent pursuant to 35 U.S.C. § 135(a).

A motion to redefine the interfering subject matter may also request that an opponent who is an applicant be required to add a claim to the opponent's application and to designate the claim to correspond to a count. See § 1.633(c)(5). Such a motion might be filed when a party sees that the opponent discloses, but does not claim, subject matter which the party believes should be involved in the interference.

Section 1.633(i) would continue present practice (37 CFR § 1.231) of allowing a party to move to redefine the subject matter of the interference or substitute a different application when an opponent moves for judgment (see § 1.633(a) and (b)) or to attack benefit (see § 1.633(g)).

Paragraph (j) of § 1.633 will permit an opponent to move for benefit when a party moves to add or substitute a count. Thus, when a motion to add a count is filed by a party and an opponent wants benefit of an earlier application in the event the motion to add is granted, the opponent should file a motion under § 1.633(j) to be accorded benefit. The mere fact that the opponent had been accorded benefit of an earlier application when the interference was declared does not mean the opponent will be accorded benefit as to some other count which may be added on motion of some other party.

Section 1.634 authorizes a motion to correct inventorship in an application (see § 1.48) or a patent (see § 1.324) involved in an interference.

Section 1.635 authorizes the filing of motions other than those specified in §§ 1.633 or 1.634. Motions filed under § 1.635 would be referred to as "miscellaneous motions" to distinguish from "preliminary motions" under § 1.633. Instances where a miscellaneous motion would be filed include motions to correct an error in a preliminary statement, to extend time for taking action or to seek judicial review, to obtain permission to proceed under 35 U.S.C. § 24, or to obtain additional discovery.

Section 1.636 sets out the times within which a motion would be filed.

Section 1.637 sets out the content of motions. In prior interference practice, parties and their counsel have had difficulty meeting all the "unwritten" requirements for motions under 37 CFR § 1.231. Section 1.637 is quite specific in setting out the requirements for each type of motion, particularly the preliminary motions. By setting out with specificity the requirements for each type of motion, it is intended to minimize disposition of motions on technicalities. A vast majority of the comments in response to the advanced notice published in the *Federal Register* on Aug. 1, 1983, commenting on then proposed § 1.637 were in favor of the requirements for motions being specifically set out in the regulations.

Section 1.638 authorizes oppositions to motions. Any opposition would have to identify any material fact in dispute. A reply to an opposition would be authorized for all motions. A reply to a reply is not authorized.

Section 1.639 sets forth the evidence which may accompany a motion, opposition, or reply. Every material fact alleged in a motion, opposition, or an reply would have to be supported by proof. Section 1.639(b) authorizes affidavits to be used as proof for any motion. The affidavit may later be used by a party during the testimony period (see §§ 1.671(e) and 1.672(b)). When a

party believes that testimony is necessary to decide a motion under § 1.633 or § 1.634, the party would have to describe the nature of the testimony needed. If an examiner-in-chief agrees that testimony is needed, appropriate interlocutory relief would be granted and testimony would be ordered.

Example 23: An interference is declared with one count between application AH and application AJ. Applicant AH files a preliminary motion under § 1.633(c)(1) to redefine the interference by adding a second count. In order to succeed, applicant AH must show that the proposed count to be added is directed to a "separate patentable invention" (see § 1.601(n)) from the count already in the interference. In the motion, applicant AH sets forth in detail the testimony which would be required to prove that the subject matter of the proposed count is to a separate patentable invention from the subject matter of the count in the interference. Applicant AJ opposes the motion on the ground that the proposed and present counts define the "same patentable invention" (see § 1.601(n)). An examiner-in-chief determines that a material fact is in dispute and that applicant AH has established testimony is needed to properly rule on the motion. Under the circumstances, the motion would be deferred to final hearing and a testimony period would be ordered. The questions of (1) whether the proposed and present counts define the same patentable invention and (2) priority would be decided at final hearing.

Under § 1.640, an examiner-in-chief would decide all motions. A hearing could be held on a motion in the discretion of an examiner-in-chief. Where appropriate, an examiner-in-chief could consult with an examiner on a question of patentability which arises in the first instance in the interference. Consultation would not be necessary where the examiner had already ruled on the patentability question which comes before the examiner-in-chief or the Board. Moreover, nothing in § 1.640 authorizes conferences between examiners-in-chief and examiners *ex parte* appeals under 35 U.S.C. § 134 from an adverse decision of an examiner. A party is entitled to request reconsideration of a decision on a motion by a single examiner-in-chief. An opposition to a request for reconsideration could not be filed unless ordered by an examiner-in-chief or the Board, but the decision by the single examiner-in-chief would not normally be modified unless an opposition has been requested. The request for reconsideration would be acted on by a panel of the Board consisting of at least three examiners-in-chief, one of whom would normally be the examiner-in-chief who decided the motion. Several comments were received in response to the advance notice questioning why the examiner-in-chief who decided the motion would form part of the panel deciding the request for reconsideration. The decision to propose, and now adopt, a regulation which would permit the examiner-in-chief who decided the motion to participate in the decision on reconsideration was made after careful balancing of all the factors involved. It could have been proposed to permit the examiner-in-chief to individually decide the request for reconsideration. However, it is believed that parties in interference cases would feel that their requests for reconsideration are being more fully considered if more than one person considers their request. The two additional examiners-in-chief would be able to consult with the examiner-in-chief most familiar with the case, but would be able to control the decision on reconsideration by a majority vote. Use of the examiner-in-chief who decided the motion and two additional examiners-in-chief would (1) minimize delay which would occur if three new examiners-in-chief were used who were unfamiliar with the record and (2) minimize the possibility that reversible error occurred if only the examiner-in-chief who decided the motion also individually decided the request for reconsideration.

Under § 1.644, petitions to the Commissioner are authorized in interference cases under certain restricted conditions. Petitions in interferences have been the source of substantial delay. Section 1.644 attempts to minimize those delays. Section 1.644 authorizes a petition to the Commissioner from a decision of an examiner-in-chief or a panel when the examiner-in-chief or the panel shall be of the opinion (1) that the decision involves a controlling question of procedure or an interpretation of a rule as to which there is a substantial ground for a difference of opinion and (2) that an immediate decision on petition would materially advance the ultimate termination of the interference. The standard is intended to be analogous to that of a district court certifying a question to a court of appeals under 28 U.S.C. § 1292(b). A petition could be filed seeking to invoke the supervi-

sory authority of the Commissioner. However, the petition could not be filed prior to entry of judgment and could not relate to the merits of priority or patentability or the admissibility of evidence under the Federal Rules of Evidence. A petition could also be filed seeking waiver of a rule. A fee of \$120 would be charged for each petition and for each request for reconsideration of a decision on petition. Any petition would be decided on the record made before the examiner-in-chief or the Board and additional evidence could not be submitted with the petition. An opposition could not be filed unless ordered by the Commissioner. Where reasonably possible, service of a petition would have to be such that delivery is accomplished within one day. Service by hand or "Express Mail" would comply with this requirement.

Section 1.645 permits a party to file a motion to seek an extension of time to take action in an interference or to seek judicial review. The motion would have to be filed within sufficient time to actually reach an examiner-in-chief prior to expiration of the time for taking action. Under § 1.645, a moving party would not be able to assume that a motion for an extension of time would be granted. Under § 1.610(d)(6), a request for an extension of time could be made orally and an appropriate order would then be entered thus eliminating considerable paper work. The order would be the written record of the request and decision. See § 1.2. Extensions of time have caused numerous delays in interference cases. Under present interference practice, some delays are caused because attorneys and agents on many occasions unexpectedly receive orders setting times. Under the new practice, attorneys and agents can expect times to be set for filing preliminary statements, preliminary motions, motions for additional discovery, testimony, and briefs after a conference call. It is expected that use of conference calls will permit an examiner-in-chief and attorneys or agents for parties to set a time schedule which is mutually satisfactory. A motion to extend time would not be granted unless a party shows good cause. The use of conference calls would allow schedules to be set before orders setting time are entered and therefore the press of other business which arises after the examiner-in-chief and attorneys and agents agree to times would not normally be considered good cause.

Under § 1.647, when a party relies on a document in a foreign language, an English language translation of the document and an affidavit attesting to the accuracy of the translation would be required. The rule would apply to any document, including evidence submitted with motions, foreign applications for which a party seeks benefit, testimony, and exhibits introduced in evidence during testimony.

Under § 1.651, after a decision is entered on preliminary motions, an examiner-in-chief would set times for filing motions for additional discovery and for taking testimony. Any motion for additional discovery would be to obtain answers to interrogatories, requests for admissions, and documents and things necessary for a party to prepare its case-in-chief.

Section 1.653 sets out what shall be in the record to be considered by the Board at final hearing. The record would continue to be printed or typed on paper 8-1/2 by 11 inches in size. Accordingly, when a party files an affidavit, the party should use 8-1/2 by 11 inches paper for the affidavit.

Section 1.654 continues the practice of holding a final hearing where oral argument may be presented by all parties. No fee would be charged for appearing at oral argument at final hearing in an interference.

Section 1.655 specifies the matters which can be considered in rendering a final decision. Patentability is an issue which may be raised. The Board can also consider whether any interlocutory order was manifestly erroneous or an abuse of discretion, although any interlocutory order would be presumed to be correct and burden of showing error shall be on the party attacking the order. This last procedural provision permits the Board to correct any manifest error before a party seeks judicial review of an interlocutory order along with judicial review of the Board's final decision.

Section 1.656 sets forth the requirements for briefs for final hearing. In large measure, § 1.656 follows the requirements of Rule 28 of the Federal Rules of Appellate Procedure. An original and three copies of a brief is required. Under § 1.656(h), if a party wants the Board in rendering its final decision to rule that any evidence is inadmissible, the party must file with its opening brief an original and three copies of a motion to suppress the evidence. Any previous objection to the admissibility of evi-

dence is waived unless the motion to suppress is filed. This procedural provision makes clear that an objection to the admissibility of evidence must be renewed at final hearing and will be considered by the Board in rendering its final decision. When a junior party fails to file a brief, an order can be issued requiring the junior party to show cause why failure to file the brief should not be taken as a concession of priority.

Under § 1.658 the Board would enter a final decision. The decision can (1) enter judgment, in whole or in part, (2) remand the interference to an examiner-in-chief, or (3) take further action not inconsistent with law. A judgment as to a count shall state whether or not each party is entitled to a patent containing claims which correspond to the count. When judgment is entered as to all counts, the decision of the Board is considered final for the purpose of judicial review. Section 1.658(c) defines the doctrine of interference estoppel as it is to be applied in the PTO after an interference is terminated. The definition of interference estoppel is designed to encourage parties in interference cases to settle as many issues as possible in one proceeding. Section 1.658(c) creates an estoppel both as to senior and junior parties unlike the present practice (37 CFR § 1.257) which limits estoppel in some instances to junior parties. An estoppel would not apply with respect to any claims which correspond, or which properly could have corresponded, to a count as to which the party was awarded a favorable judgment. A few examples illustrate how estoppel would be applied.

Example 24: Junior party applicant AL and senior party applicant AK both disclose separate patentable inventions "A" and "B" and claim only invention A in their respective applications. An interference is declared with a single count to invention A. Neither party files a preliminary motion (see § 1.633(c)(1)) to add a count to invention B. Judgment as to all of AL's claims corresponding to the sole count is awarded to junior party applicant AL. Senior party applicant AK would be estopped to thereafter obtain a patent containing claims to invention B, because applicant AK failed to move to add a count to invention B in the interference. Junior party applicant AL would not be estopped to obtain a patent containing claims to invention B.

Example 25: In this example, the facts are the same as in Example 24 except that judgment is awarded as to all AK's claims corresponding to the count to senior party applicant AK. Junior party applicant AL would be estopped to obtain a patent containing claims to invention B in the interference. Senior party applicant AK would not be estopped to obtain a patent containing claims to invention B.

Example 26: Junior party applicant AM and senior party applicant AP both disclose separate patentable inventions "C", "D", and "E" and claim inventions C and D in their respective applications. An interference is declared with two counts. Count 1 is to invention C and Count 2 is to invention D. Neither party files a preliminary motion to add a proposed Count 3 to invention E. Judgment as to all AM's claims corresponding to Counts 1 and 2 is awarded to junior party applicant AM. Senior party applicant AP would be estopped to thereafter obtain a patent containing claims to invention E, because applicant AP failed to move to add a count to invention E in the interference. Junior party applicant AM would not be estopped to obtain a patent containing claim to invention E.

Example 27: In this example, the facts are the same as in Example 26 except that judgment is awarded as to all AP's claims corresponding to Counts 1 and 2 to senior party applicant AP. Junior party applicant AM would be estopped to obtain a patent containing claims to invention E, because applicant AM failed to move to add a count to invention E in the interference. Senior party applicant AP would not be estopped to obtain a patent containing claims to invention E.

Example 28: In this example, the facts are the same as in Example 26 except that judgment is awarded on all of AM's claims corresponding to Count 1 to junior party applicant AM and judgment is awarded on all AP's claims corresponding to Count 2 to senior party applicant AP. Both parties would be estopped to obtain a patent containing claims to invention E, because neither moved to add a count to invention E during the interference. Assume that junior party AM could have properly moved under § 1.633(f) to be accorded the benefit of an earlier application, but did not do so during the interference. Junior party AM would not be estopped in subsequent *ex parte* prosecution from asking for benefit of the earlier application as to the invention defined by Count 1. Accordingly, if the examiner were

to reject junior party AM's claim corresponding to Count 1 on the basis of some newly discovered prior art, junior party AM could properly antedate the prior art by seeking the benefit under 35 U.S.C. § 120 of the earlier application. Thus, even though junior party AM was a "losing party" as to Count 2 (an adverse judgment as to junior party AM's claims corresponding to Count 2 having been entered), junior party AM was awarded a favorable judgment (§ 1.658(c)) as to Count 1. Junior party AM would be estopped in subsequent *ex parte* prosecution from attempting to be accorded the benefit of the earlier application as to the invention of Count 2.

Example 29: Applicant AQ discloses and claims invention "F." Applicant AR discloses and claims separate patentable inventions "F" and "G." The assignee of applicant AQ also owns an application AS which discloses and claims invention "G." An interference is declared between applicant AQ and applicant AR. The sole count is directed to invention F. No motion is filed by applicant AQ or its assignee to declare an additional interference between applicant AR and applicant AS with a count to invention G. A judgment as to all of AR's claims corresponding to the sole count is awarded to applicant AR. Applicant AS and the assignee would be estopped to obtain a patent containing claims to invention G, because applicant AR and the assignee failed to move to declare an additional interference with a count to invention G.

Example 30: The facts in this example are the same as the facts in Example 29 except that judgment as to all of AQ's claims corresponding to the sole count is awarded to applicant AQ. Applicant AS and the assignee would not be estopped, because applicant AQ was not a "losing party" (§ 1.658(c)).

Example 31: Applicant AT discloses a generic invention to "solvent" and a species to "benzene." Application AT contains a patentable claim 1 (solvent) and no other claims. Applicant AU discloses the generic invention to "solvent" and species to "benzene" and "toluene." Application AU contains patentable claim 3 (solvent) and no other claims. An interference is declared with a single count (solvent). Claims 1 of application AT and claim 3 of application AU are designated to correspond to the count. No preliminary motions are filed. A judgment is entered in favor of applicant AT on the claim corresponding to the sole count. Applicant AU would be estopped to obtain a patent containing a claim to benzene, because applicant AU failed to file a preliminary motion under § 1.633(c)(1) seeking to add a count to benzene and benzene was disclosed in winning party AT's application. Applicant AU would also be estopped to obtain a patent containing a claim to toluene, unless "toluene" defines a "separate patentable invention" from "solvent." A basis for interference estoppel (§ 1.658(c)) exists if "toluene" and "solvent" define the "same patentable invention," because a claim to "toluene" could properly have been added and designated to correspond to the count. See § 1.633(c)(2).

Under § 1.659, the Board would be able to make recommendations to examiners and the Commissioner, including recommendations that application claims not involved in the interference be rejected and that a patent be reexamined as to patent claims not involved in the interference.

Under § 1.660, a party would be required to notify the Board when the party's patent or application becomes involved in other PTO proceedings (reexamination, reissue, or protest) or litigation.

Section 1.661 sets forth when an interference is considered terminated after a judgment is entered in the interference. For the purpose of filing copies of settlement agreements, an interference is considered terminated when the time for all appeals has expired. *Tallent v. Lemoine*, 204 USPQ 1058 (Comm'r.Pat. 1979). See also *Nelson v. Bowler*, 212 USPQ 760 (Comm'r.Pat. 1981).

Section 1.662 provides that a party may request that an adverse judgment be entered. The section also provides that when a written disclaimer (not a statutory disclaimer), concession of priority or unpatentability, abandonment of the invention, abandonment of an application, or abandonment of the contest is filed, the disclaimer, concession, or abandonment would be treated as a request for entry of an adverse judgment. Section 1.662(b) provides that when a patentee files a reissue application and omits all claims of a patent corresponding to the counts of an interference for the purpose of avoiding the interference, judgment would be entered against the patentee. Under § 1.662(c), the filing of a statutory disclaimer would not be treated

as a request for entry of an adverse judgment unless all patent claims corresponding to a count are disclaimed. Under § 1.662(d), if after entry of a judgment or after filing of a statutory disclaimer no interference exists, the interference would be terminated as to any party against whom judgment has not been entered and any further prosecution of any application involved in the interference would be *ex parte* before the examiner.

Section 1.666 sets out the procedure for filing settlement agreements in interference cases. The PTC is merely a repository for copies of agreements filed under 35 U.S.C. § 135(c) and does not undertake to rule on whether the statute requires that a copy of any particular agreement be filed. *Nelson v. Bowler*, 212 USPQ 760 (Comm'r.Pat. 1981).

Section 1.671 sets out what would be considered evidence. The Federal Rules of Evidence, with certain exceptions, are made applicable to interference cases. Under § 1.671(e), a party cannot rely on a previously filed affidavit unless the affidavit is served and notice is given that the party intends to rely on the affidavit. The purpose for the notice is to permit an opponent to determine whether a deposition for cross-examination is necessary (see §§ 1.672(b) and 1.673(e)).

Section 1.671(e) is intended to overrule prior construction of PTO rules in *Holmes v. Kelly*, 586 F.2d 234, 237 n. 7, 199 USPQ 778, 782 n. 7 (CCPA 1978) and *Brecker v. Jennings*, 204 USPQ 663 (Bd.Pat.Int. 1978), which considered a Rule 132 affidavit in the file of an involved application to be part of the "record" in an interference. Under § 1.671(e), a party intending to rely on such an affidavit must give notice and serve a copy of the affidavit on the opponent.

Under § 1.671(f), the significance of documentary and other exhibits must be discussed with particularity by a witness during oral deposition or in an affidavit. Section 1.671(f) sets out in the regulations an evidentiary requirement imposed by precedent. See *Popoff v. Orchin*, 144 USPQ 762 (Bd.Pat.Int. 1963) (unexplained experimental data should not be considered); *Chandler v. Mock*, 150 F.2d 563, 66 USPQ 209 (CCPA 1945) (records standing alone were held to be meaningless), and *Smith v. Bousquet*, 111 F.2d 157, 45 USPQ 347 (CCPA 1940) (unexplained tests in stipulated testimony are entitled to little weight). See also *In re Borkowski*, 505 F.2d 713, 184 USPQ 29 (CCPA 1974) and *Triplett v. Steinmayer*, 129 F.2d 869, 54 USPQ 409 (CCPA 1942). Under § 1.671(g), a party is required to obtain permission from an examiner-in-chief prior to proceeding under 35 U.S.C. § 24. This requirement insures that a subpoena is necessary (e.g., a subpoena ordinarily should not be necessary where testimony of an opponent is sought) and that testimony sought through a § 24 subpoena is relevant before a subpoena is issued. The motion seeking permission to proceed under § 24, any opposition thereto, and the order of an examiner-in-chief authorizing the moving party to proceed under § 24 will be of assistance to a federal court in the event a party is required to resort to a court to enforce the subpoena or to compel answers to questions propounded at any deposition where a witness is appearing pursuant to a subpoena. See *Sheehan v. Doyle*, 529 F.2d 38, 188 USPQ 545 (1st Cir.), cert. denied, 429 U.S. 870 (1976), rehearing denied, 429 U.S. 987 (1976).

Under § 1.671(h), any evidence which is not taken or sought and filed in accordance with the regulations will not be admissible.

Section 1.672 sets forth the manner in which testimony shall be taken. Testimony can be taken by deposition or affidavit at the election of the party presenting the testimony. A party presenting testimony by affidavit must file and serve the affidavit. If the party presents testimony by affidavit and an opponent elects to cross-examine the affiant, the party is required to notice a deposition for the purpose of cross-examination. Re-direct and re-cross will take place at the deposition. Where the parties agree, testimony can be presented by affidavit without opportunity for cross-examination (see § 1.672(e)) or by an agreed statement of facts (see § 1.672(f)).

Section 1.673 sets out how a deposition must be noticed. A deposition can be noticed for any reasonable place in the United States. The extent to which parties, witnesses, and attorneys or agents have to travel may be considered in determining whether a place is reasonable. Prior to serving a notice for a deposition, a party is required to take two procedural steps. Under § 1.673(b), a party would be required to serve a copy of the documents and a list of the things in its possession, custody, and control upon which it intended to rely. Under § 1.673(g), the party is required to have an oral conference (in person or by telephone) with all

opponents to attempt to agree on a mutually acceptable time and place for taking the deposition. An examiner-in-chief may set the time and place if agreement is not reached. A single notice listing all the witnesses and the general nature of their expected testimony is then served. Under § 1.673(c) and except as provided, a party can not rely on any witness not mentioned in the notice, any document not served, or any thing not listed. Under § 1.673(h), a copy of any notice must be attached to the certified transcript of each deposition filed.

Section 1.674 sets out the persons before whom depositions can be taken.

Section 1.675 sets out how a deposition is to be taken.

Section 1.676 sets out how a court reporter should prepare and file a certified transcript of a deposition. Section 1.676(d) sets out how exhibits are to be marked for identification, used at depositions, and filed. Provisions similar to those of Rule 30(f) (1)(A) and (B) of the Federal Rules of Civil Procedure are applicable to interferences.

Section 1.677 sets out the form of a transcript of a deposition.

Under § 1.678, a transcript of a deposition must be filed in the PTO within 45 days of the date of the deposition.

Section 1.682 sets out how a party may introduce in evidence, if otherwise admissible, official records or printed publications. When a notice is served, a party is also required to serve (but not file) copies of the official records and printed publications. Any objection to the notice or to the admissibility of any official record or publication must be filed within 15 days of the date of service of the notice.

Section 1.683 sets out how a party may use testimony from another interference or proceeding.

Section 1.684 sets out how a party may take testimony in a foreign country.

Section 1.685 sets out how objections during the taking of depositions must be raised. Under § 1.685(a), an error in a notice of deposition is waived unless a motion to quash the notice is filed as soon as the error is, or could have been, discovered. Under § 1.685(b), any objection to the qualifications of an officer is waived unless (1) the objection is noted on the record of the deposition before a witness begins to testify or (2) if discovered after the deposition, a motion to suppress is filed as soon as the objection is, or could have been, discovered. Under § 1.685(c), any error in the manner in which testimony is transcribed, the transcript is signed by a witness, or the transcript is prepared or otherwise handled by the court reporter is waived unless a motion to suppress is filed as soon as the error is, or could have been, discovered. Under § 1.685(d), any objection on the merits to the admissibility of evidence (e.g., under the Federal Rules of Evidence is waived unless an objection is made on the record at the deposition stating the specific ground of objection. Often objections are cured by subsequent testimony. Accordingly, any objection which a party wants the Board to consider at final hearing must also be made the subject of a motion under § 1.656(h).

Section 1.687 sets out how a party could seek and obtain additional discovery. "Additional discovery" is defined in § 1.601(a). Section 1.687 does not change the standard ("interest of justice") for obtaining discovery.

Section 1.688 sets out how a party can introduce into evidence admissions and answers to interrogatories obtained as a result of additional discovery.

Changes in Text

Several changes have been made to the text of the proposed rules published in the *Federal Register* on Jan. 30, 1984. The changes are discussed below. Additional rationale for the changes are further discussed under the heading "Analysis of Comments."

All references to the "Board of Appeals and Interferences" have been changed to "Board of Patent Appeals and Interferences" in view of Public Law 98-622.

In § 1.11(a) the language "or after termination of an interference without an award of judgment" has been deleted. This change has been made in view of changes made in paragraphs (c) and (d) of § 1.662.

In response to a comment, the fee required for a petition in an interference under § 1.644(e) and a request for reconsideration of a decision on petition in an interference under § 1.644(f) have been set out as separate items.

Section 1.136 was changed to refer to § 1.611 rather than § 1.610(a).

The following sentence was inadvertently omitted as the third sentence of § 1.138 in the notice of proposed rulemaking: "A registered attorney or agent acting under the provision of § 1.34(a), or of record, may also expressly abandon a prior application as of the filing date granted to a continuing application when filing such a continuing application." This sentence presently appears in § 1.138.

In § 1.196(d), second sentence, "thirty days" has been changed to "one month".

In § 1.197(b), "thirty days" has been changed to "one month".

In the last sentence of § 1.304, "The Commissioner" has been changed to "An examiner-in-chief" and "of a decision of the Board of Patent Appeals and Interferences in an interference case" has been inserted after "time for seeking judicial review." This change is made to limit the "excusable neglect" standard to interference cases only.

In § 1.601(j), the language "all the claims of a party which correspond" has been changed to read at least one claim of a party which corresponds". The language all the claims of an opponent which correspond" has been changed to read "at least one claim of an opponent which corresponds".

Section 1.605(a) has been changed by deleting from the third sentence the language "a claim which is the same or substantially the same as" and by adding the following sentence as the fourth sentence: "At the time the suggested claim is presented, the applicant may also (1) call the examiner's attention to other claims already in the application or which are presented with the suggested claim and (2) explain why the other claims would be more appropriate to be included in any interference which may be declared." In the second sentence, "30 days" has been changed to "one month".

In the last sentence of § 1.606, the language "to define one patentable invention" has been changed to read: "not to contain separate patentable inventions."

The word "and" has been inserted in § 1.607(a) before "(3)". The word "must" in the first sentence of § 1.607(c) has been changed to "shall" in response to a suggestion in a comment.

Pursuant to two separate suggestions, the following is being added after the first sentence in § 1.608(b): "Where the basis upon which an applicant is entitled to judgment relative to a patentee is priority of invention, the evidence shall include affidavits by the applicant, if possible, and one or more corroborating witnesses, supported by documentary evidence, if available, each setting out a factual description of acts and circumstances performed or observed by the affiant, which collectively would *prima facie* entitle the applicant to judgment on priority with respect to the earlier of the filing date or effective filing date of the patent. To facilitate preparation of a record (§ 1.653(g) and (h)) for final hearing, an applicant should file affidavits on paper which is 8-1/2 by 11 inches (21.8 by 27.9 cm.)."

In § 1.609(b)(1), the language "count or counts" has been changed to "proposed count or counts". In § 1.609(b)(2), each occurrence of "the count" has been changed to "each count".

In § 1.613(a), "§ 1.344" has been changed to "this Chapter." This change is being made to obviate the need to again amend § 1.613 in the event new rules relating to practice before the PTO are issued. See the notice of proposed rulemaking published in the *Federal Register* on Aug. 24, 1984, 49 F.R. 33790, proposed §§ 10.62 and 10.66. The language "or members of the same firm of attorneys or agents" has been added after "agent" in § 1.613(b).

In § 1.615(a), second sentence, "which are" has been deleted and "in the interference" has been added after "will not be entered or considered".

Several changes have been made in § 1.617. In § 1.617(a), the language "the interference shall proceed before the examiner-in-chief" has been changed to read: "the interference shall proceed in the normal manner under the regulations of this part". The second sentence of § 1.617(b) ("A response may include a request by the applicant for a hearing before the Board.") has been changed to read: "Any request by the applicant for a hearing before the Board shall be made in the response." This change was made to clarify when and how a hearing must be requested by the applicant. The second sentence of § 1.617(d) has been changed to read: "The statement may set forth views as to why summary judgment should be granted against the applicant, but the statement shall be limited to discussing why all the evidence presented by the applicant does not overcome the reasons given by

the examiner-in-chief for issuing the order to show cause." Section 1.617(e) has been re-written as follows: "Within a time authorized by the examiner-in-chief, an applicant may file a reply to any statement filed by any opponent." The language "examiner-in-chief or the" has been added after "by the applicant is timely filed, the" in the first sentence of § 1.617(g). The language "Board decides that" has been deleted from the second sentence of § 1.617(g). The language "If the Board decides otherwise" has been replaced with "Otherwise" in the third sentence of § 1.617(g). The language "before the examiner-in-chief" in the third sentence of § 1.617(g) has been changed to read: "in the normal manner under the regulations of this part." These changes will authorize either an examiner-in-chief or a Board to authorize an interference to proceed under § 1.617(g). It will continue to be necessary for the Board to enter an order *granting* summary judgment. In the last sentence of § 1.617(h), "patentee" has been changed to "any opponent".

The language "the name of" has been deleted from the first sentence of § 1.622(a). The second sentence of § 1.622(a) in the notice of proposed rulemaking ("When an inventor identified in the preliminary statement is not identical to the inventor named in the party's application or patent, the party shall file a motion . . .") has been changed to read: "When an inventor identified in the preliminary statement is not an inventor named in the party's application or patent, the party shall file a motion . . ." This change is being made in view of § 105(a) of Public Law 98-622 which amended 35 U.S.C. § 116 to permit joint inventors to be named "even though . . . (3) each did not make a contribution to the subject matter of every claim . . .".

The following changes have been made in § 1.623(c). In the first sentence, "copy of the drawing" has been changed to "copy of the first drawing". In the second sentence, "copy of the written description" has been changed to "copy of the first written description". In the third sentence, "when a drawing or written description" has been changed to "when a copy of the first drawing or first written description".

Several changes have been made to § 1.624. The following has been added as a second sentence in § 1.624(a)(5): "If an actual reduction to practice of the invention was not introduced into the United States, the preliminary statement shall so state." The following changes have been made in § 1.624(c). Each occurrence of "was made" has been changed to "was introduced into the United States." In the first sentence, "copy of the drawing" has been changed to "copy of that drawing". In the second sentence, "copy of the written description" has been changed to "copy of that written description". In the third sentence, "a drawing or written description" has been changed to "a copy of the first drawing or first written description introduced in the United States".

The following changes have been made in § 1.625(c). In the first sentence, "copy of the drawing" has been changed to "copy of the first drawing". In the second sentence, "copy of the written description" has been changed to "copy of the first written description". In the third sentence, "a drawing or written description" has been changed to "a first drawing or first written description".

The language of § 1.628(b) which read: "because the drawing or written description is not in the party's possession, custody, or control, the party may file a motion . . . to amend its preliminary statement promptly after it secures possession, custody, or control of a copy of the drawing or written description" has been changed to read as follows: "the party (1) shall show good cause and explain in the preliminary statement why a copy of the drawing or written description cannot be attached to the preliminary statement and (2) shall attach to the preliminary statement the earliest drawing or written description made in or introduced into the United States which is available. The party shall file a motion . . . to amend its preliminary statement promptly after the first drawing, first written description or drawing or written description first introduced into the United States becomes available."

The first sentence ("A preliminary statement should be carefully prepared.") has been deleted from § 1.629(a).

In § 1.629(b), the language "no earlier than" has been changed to "as early as".

In § 1.629(d), the following has been added after "allegation: "unless the party complies with § 1.628(b)."

A new § 1.632 has been added to require a party to give timely notice of the party's intent to argue that an opponent has aban-

done, suppressed, or concealed an actual reduction to practice. A companion change has been made to § 1.654.

Two changes have been made to § 1.633(c). Paragraph (c)(2) has been changed by adding thereto the following language: "or adding a claim in the moving party's application to be designated to correspond to a count". In addition, in § 1.633(c), the "or" before "(4)" has been deleted and the following has been added to the end of the first sentence: ", or (5) requiring an opponent who is an applicant to add a claim and to designate the claim to correspond to a count."

Paragraph (j) has been added to § 1.633.

In § 1.636(b), "(i)" has been changed to "(i) or (j)" in view of the addition of paragraph (j) to § 1.633. The language "filed as soon as practical" in § 1.636(c) has been changed to "diligently filed" in order to conform § 1.636 to § 1.48. A party must exercise diligence in correcting inventorship. *Van Otteren v. Hafner*, 278 F.2d 738, 126 USPQ 151 (CCPA 1960).

Several changes have been made to § 1.637. The language "Where appropriate," has been deleted from the following paragraphs of § 1.637: (c)(1)(vi); (c)(2)(iv); (c)(3)(iii); (d)(4); (e)(1)(viii); (e)(2)(vii); and (h)(4). The following has been added in § 1.637(c)(2) before "shall": "or adding a claim to be designated to correspond to a count". The language "amended claim" in § 1.637(c)(2)(i) has been changed to read: "amended or added claim". The language "Apply the terms of each proposed claim to the disclosure of the application" in § 1.637(c)(2)(ii) has been changed to read: "Show that the proposed or added claim defines the same patentable invention as the count." The language "proposed amended claim" in § 1.637(c)(2)(iii) has been changed to read "amended or added claim." The language "adding the proposed claim" in § 1.637(c)(2)(iii) has been changed to read: "making the amended or added claim".

The word "interferences" in § 1.637(c)(4)(ii) has been corrected to read: "interference".

Subparagraph (c)(5) has been added to § 1.637.

The following has been added as the last sentence to § 1.637(f)(2): "If the earlier application filed abroad is not in English, the requirements of § 1.647 must also be met."

In paragraph § 1.637(f)(3), the language "discloses an embodiment with the scope" has been changed to read: "constitutes a constructive reduction to practice".

The first sentence, originally proposed in § 1.638(b) ("A reply to an opposition shall not be filed unless authorized by this subpart or an examiner-in-chief or the motion was filed under §§ 1.633 or 1.634"), has been deleted. The language "any authorized reply" in § 1.638(b) has been changed to "a reply".

The language "or a motion to correct inventorship under § 1.634" has been added to the first sentence of § 1.639(c) after "preliminary motion under § 1.633."

The following has been added after the first sentence of § 1.640(b)(1): "Failure or refusal of a party to timely present an amendment required by an examiner-in-chief shall be taken without further action as a disclaimer by that party of the invention involved." The fourth sentence of § 1.640(c) ("A request for reconsideration will ordinarily not be granted unless an opposition has been requested by an examiner-in-chief or the Board") has been changed to read: "A decision of a single examiner-in-chief will not ordinarily be modified unless an opposition has been requested by an examiner-in-chief or the Board." In the last sentence of § 1.640(c), the language "shall be decided by a panel" has been changed to read: "shall be acted on by a panel".

The word "application" in the paragraph heading and text of § 1.642 has been changed to read: "application or patent".

Three changes have been made in § 1.644. The following language has been added after "Commissioner" in § 1.644(a)(2): "and is not filed prior to the decision of the Board awarding judgment and does not relate to (i) the merits of priority of invention or patentability or (ii) the admissibility of evidence under the Federal Rules of Evidence". The following language has been deleted from the second sentence of § 1.644(b): "and shall not relate to (1) the merits of priority of invention or patentability or (2) the admissibility of evidence under the Federal Rules of Evidence". The language "A request for reconsideration will ordinarily not be granted unless" in the second sentence of § 1.644(f) has been changed to read: "The decision will not ordinarily be modified unless such".

Two changes have been made in § 1.645. The word "to" has been added before "file a notice of appeal" and "commence a

civil action" in the first sentence of paragraph (a). The language "accompanied by an affidavit," has been deleted from paragraph (b).

Three changes have been made to § 1.646. The word "service" has been added after "additional" in the third sentence of paragraph (b). The language "or except as otherwise provided by this part," has been added after "otherwise ordered by an examiner-in-chief," in paragraph (c). The language in paragraph (c) "paper may be made" has been changed to "paper shall be made". The word "time" has been changed to "date" in the last sentence of paragraph (e).

A new paragraph (c) has been added to § 1.654 to require that a party give timely notice of the party's intent to argue that an opponent has abandoned, suppressed, or concealed an actual reduction to practice. Section 1.632 specifies the time within which the notice shall be filed.

Three changes have been made in § 1.658. The language "paragraph (a) of the section" in the last sentence of § 1.658(b) has been changed to "paragraph (a) of this section". The "(i)" in the first sentence of § 1.658(c) has been changed to "(j)" in view of the addition of § 1.633(j). In the notice of proposed rulemaking, the second sentence of § 1.658(c) read: "A party, other than a party awarded a favorable judgment as to all counts, who could have properly moved, but failed to move, under §§ 1.633 or 1.634, shall be estopped to take *ex parte* or *inter partes* action in the Patent and Trademark Office after the interference which is inconsistent with the party's failure to properly move." This sentence has been changed to read: "A losing party who could have properly moved, but failed to move, under §§ 1.633 or 1.634, shall be estopped to take *ex parte* or *inter partes* action in the Patent and Trademark Office after the interference which is inconsistent with that party's failure to properly move, except that a losing party shall not be estopped with respect to any claims which correspond, or properly could have corresponded, to a count as to which that party was awarded a favorable judgment."

Several changes have been made in § 1.662. In § 1.662(a), the word "construed" has been changed to "treated". The first sentence of § 1.662(c) in the notice of proposed rulemaking read: "The filing of a statutory disclaimer under 35 U.S.C. § 253 by a patentee will not be treated as a request for entry of an adverse judgment against the patentee, but will delete any statutorily disclaimed claims from being involved in the interference." That first sentence has been changed to read: "The filing of a statutory disclaimer under 35 U.S.C. § 253 by a patentee will delete any statutorily disclaimed claims from being involved in the interference." The second sentence of § 1.662(c) in the notice of proposed rulemaking read: "A statutory disclaimer of any claim involved in an interference shall in subsequent proceedings have the same effect with respect to the patentee as an adverse judgment." That second sentence has been changed to read: "A statutory disclaimer will not be treated as a request for entry of an adverse judgment against the patentee unless it results in the deletion of all patent claims corresponding to a count." In view of this change, proposed § 1.662(d) has been deleted as unnecessary, and a change has also been made in § 1.11(a) to delete any reference to a termination of an interference by any means other than judgment.

The last sentence of § 1.671(g) has been changed from "The motion shall describe the general nature and show the admissibility in the interference of the testimony, document, or thing" to: "The motion shall describe the general nature and the relevance of the testimony, document, or thing."

Three changes have been made to § 1.672(b). In the second sentence after "witness by affidavit shall" the following has been added: ", prior to the close of the party's relevant testimony period". The language "file an affidavit" has been changed to "file and serve an affidavit". The following has been added after the third sentence: "A party shall not be entitled to rely on any document referred to in the affidavit unless a copy of the document is filed with the affidavit. A party shall not be entitled to rely on any thing mentioned in the affidavit unless the opponent is given reasonable access to the thing. A thing is something other than a document."

Several changes have been made in § 1.673(b). The introductory sentence of paragraph (b) ("Unless the parties agree otherwise, at least three days prior to the conference required by paragraph (g) of this section, a party shall serve, but not file, the following:") has been changed to read: "Unless the parties agree

otherwise, a party shall serve, but not file, at least three days prior to the conference required by paragraph (g) of this section, if service is made by hand or "Express Mail," or at least ten days prior to the conference if service is made by any other means, the following:" In § 1.673(b)(1) the word "copy" has been changed to "list and copy".

In the last sentence of § 1.675(d), the language "signed by the witness in the presence of any notary" has been changed to read "signed by the witness in the form of (1) an affidavit in the presence of any notary or (2) a declaration". This change conforms § 1.675(d) to § 1.68.

In § 1.682(a)(4), ", where appropriate," has been added prior to "be accompanied" and "(§ 1.671(d))" has been added after "printed publication".

The word "admissible" in § 1.684(a)(4) has been changed to "relevant".

The following sentence has been deleted from § 1.687(b): "If the witness refuses to produce a requested document or thing, the party may file a motion (§ 1.635) for additional discovery under paragraph (c) of this section."

Section 1.688 has been revised to more clearly describe how a party may introduce in evidence an answer to a request for admission or an answer to a written interrogatory.

Analysis of Comments

Eighteen written comments were received. Three individuals testified at a hearing held on May 15, 1984. The following is an analysis of the written comments and the oral comments made at the hearing.

One comment suggested that § 1.8 not be amended to exclude from the certificate of mailing practice a paper in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail." The comment argues that "[s]ome parties might not have an attorney in the Washington area or they may live in an area not serviced by Express Mail." The suggestion is not being adopted. Experience has shown that there are situations in interferences where it is desirable to have and the parties need a prompt ruling on a written motion. It is difficult for an examiner-in-chief to render a prompt ruling if the motion and any opposition are not promptly served and filed. In those situations where a party has no Washington, D.C. metropolitan area attorney or where a party resides in an area not served by "Express Mail," it may not be possible to hand-file or use "Express Mail." The examiner-in-chief would then exercise discretion by not invoking the exception of new subparagraph (xii) of § 1.8(a).

One comment suggested that it would be clearer if the fee for a petition in an interference and the fee for a request for reconsideration of a decision on petition in an interference were set out in § 1.17(h) as separate items. This suggestion has been adopted and the two fees have been set out in § 1.17(h) as separate items.

A suggestion was made that a reference be made in § 1.136 to § 1.611 rather than § 1.610(a). The suggestion is being adopted, because a reference to § 1.611 is believed to be more appropriate. Once an interference is declared involving an application, *ex parte* prosecution of the application is suspended and the applicant need not respond to any PTO action outstanding as of the date the interference is declared.

One comment made the following remark concerning § 1.196: "I do not understand the need or desire of the PTO to start the time to appeal to a Court from a PTO *final* decision on one claim, while PTO action is continuing on a second claim." As explained in the notice of proposed rulemaking (49 F.R. 3770, columns 2-3; 1039 O.G. 20-21; 1039 TMOG 20-21), when there are further proceedings before the examiner following a decision by the Board of Patent Appeals and Interferences, judicial review is not appropriate. Hence, under § 1.196, the PTO will not start a time for seeking judicial review of a PTO decision on one claim while PTO action is continuing on another claim. The last sentences of § 1.196(b)(1) and § 1.196(d) authorize the Board to enter an order making its decision final as to one claim when remand proceedings as to another claim result in a favorable decision for the applicant. Section 1.196 is intended to eliminate piecemeal appeals.

With respect to § 1.292(c), one commentator said: "[a] party should be able to raise public use and [on] sale issues at any stage [of an interference proceeding] provided the issue is raised in a timely manner after learning of the use or sale." Public use and on sale issues are to be raised in interferences by way of a

preliminary motion under § 1.633(a). If a motion under § 1.633(a) cannot be timely filed, a belated motion may be filed provided the moving party complies with the provisions of § 1.645(b). Whether or not a belated motion will be accepted where a public use or sale is discovered after the time for filing § 1.633(a) motions which has passed will manifestly depend on the facts of a given case.

One comment suggested that the language "speedy, and inexpensive" be deleted from the second sentence of the preamble of § 1.601. This suggestion is not being adopted. The second sentence of the preamble of § 1.601 provides that the rules "shall be construed to secure the just, speedy, and inexpensive determination of every interference." The provision is modeled in part after the second sentence of Rule 1 of the Federal Rules of Civil Procedure which states that the Federal Rules "shall be construed to secure the just, speedy, and inexpensive determination of every action." The "just, speedy, and inexpensive determination" provision of § 1.601 will prove useful in construing other provisions in the rules.

Two comments were received which suggested a change in language in § 1.601(j). One comment correctly noted that "[i]f even one claim of each party defines the same patentable invention, there is an interference-in-fact." The comment went on to correctly note that "[i]f the remaining claims can be disposed of by a motion under § 1.633(c)(4)." A second comment noted that under the definition proposed, all the claims of both parties corresponding to a count must define the same patentable invention. The comment went on to correctly note the intent of the PTO is, however, that an interference-in-fact exists if at least one of the claims of a party corresponding to a count defines the same patentable invention as one of the corresponding claims of an opponent. In view of the suggestions made in the two comments, § 1.601(j) has been changed to state that an interference-in-fact exists when at least one claim of a party which corresponds to a count and at least one claim of an opponent which corresponds to the count defines the same patentable invention.

Two comments were received which suggested that the language "earliest filing date" in § 1.601(m) be changed to read "earliest effective filing date." The suggestion is not being adopted. Section 1.601(m) defines "senior party." The definition of "senior party" in § 1.601(m) is consistent with current practice and is intended to codify current practice. In an interference where there are no benefit applications, the "senior party" is the party with the earliest "filing date." There are interferences where a party may be "senior" with respect to a first count based on the filing dates of the applications involved in the interference and "junior" with respect to a second count because the opponent is entitled to benefit of an earlier application as to the second count only. Under these circumstances in the past, the PTO has designated the party who is "senior" based on the filing dates of the applications involved as the "senior party." The designation of the party as "senior party" is for procedural purposes only, i.e., setting who takes testimony first, and does not affect which party has the burden of proof. Section 1.601(m) preserves this past practice.

Comments were received regarding § 1.601(n) which defines "same patentable invention" and "separate patentable invention." One written comment suggested that § 1.601(n) be deleted. The commentator appeared at the hearing and also urged orally that § 1.601(n) be deleted. The suggestion is not being adopted. In view of the nature of the comment and the importance of the definitions in § 1.601(n), the written comment is reproduced in its entirety:

Comment: The paragraph to be deleted contains an explicit definition of both "same patentable invention" and "separate patentable invention." It requires application of a two-prong test for determining "sameness" or "separateness." Two inventions are considered to be the "same patentable invention" when they are the same under 35 USC 102 or obvious variants under 35 USC 103 when one is considered as "prior art" with respect to the other. Application of this standard may lead to results which are anomalous or in conflict with statutory requirements if, as the proposed rules apparently assume, the award of priority as to counts embodying "separate patentable inventions" will inherently and finally resolve the question of entitlement to a patent as between the parties on involved claims corresponding to those counts. Three specific problems with the definition of Rule 601(n) have been identified as follows:

(1) If the standard of separate patentability as between two counts is applied on a mutual basis (i.e., Invention A must be separately patentable from Invention B considered as prior art and Invention B must be separately patentable from Invention A considered as prior art), then the conduct of interferences with separate counts directed to both a generic invention and an included specific embodiment thereof (i.e., a species) are frustrated. If, however, such mutuality is not applied (i.e., if Invention A is the existing count, then a count directed to Invention B is proper so long as Invention B would be considered patentable over Invention A as prior art), then a number of irreconcilable anomalies in count modification through preliminary motions practice will be manifest.

(2) "Separate patentability" as a non-obviousness issue is in every context *except* interference practice before the PTO determined with finality only when an *affirmative* determination has been reached or the applicant *elects* to discontinue further prosecution of any applications embodying the invention or to admit obviousness. Because in the *ex parte* context an applicant may continue to marshal additional evidence supportive of non-obviousness until separate patentability over a prior art invention has been established, "separate patentability" is always a fluid concept where ultimate resolution can neither be predicted nor foreclosed. On certain cases interference proceedings under the proposed rules will be conducted and judgment rendered on the assumption of a lack of "separate patentability", which would ordinarily be subject to change or rebuttal as additional argument, evidence or other supportive activity of non-obviousness were marshalled. Thus, simply determining a proposed count is not yet "separately patentable" for the purposes of count formation ought not to foreclose post-interference reconsideration of separate patentability questions when the party proposing the count would not have been foreclosed on priority grounds.

(3) The underlying assumption that "separate patentability" is to be established under the proposed rules for one invention when a second invention is considered as "prior art" does not have any necessary correspondence to the effect of an adverse judgment in an interference on the question of priority. While a lost count in interference is not patentable to the loser, the lost count will be considered as "prior art" against the losing party only if the status of prior art for the purposes of 35 USC 103 is established by the record in the interference, (i.e., by representing a prior invention of another made in the United States, not abandoned, suppressed or concealed under 35 USC 102). A party entitled to priority for a count under the benefit provisions of 35 USC 119 creates no "prior art" under 35 USC 102(g)/103 against his opponent. Separate counts ought not to be created or denied in an interference on the basis of a rule which fails to account for whether the interference record will confirm the assumption in the definition that a lost count will become "prior art".

The following examples are provided as indicative of perceived difficulties in the application of the definition embodied in Rule 601(n):

Example A: Rule 601(n) is applied in a mutuality sense to an interference where the existing count (Invention A) is a broad genus over organic compounds. Both parties disclose a species (Invention B) which one of the parties alleges represents a "selection invention", i.e., is neither anticipated by the genus nor obvious therefrom. The party proposing to add a species count to Invention B must demonstrate that the genus was neither the same as nor obvious in view of the species, an impossibility since disclosure of the species anticipates the genus under 35 USC 102. In effect, no party could ever propose sub-generic or species counts included within broader generic counts. Since all potential patentability and priority questions with respect to possible sub-generic and species claims are intended to be resolved in the unified patentability/priority proceedings, loss of such a broad generic count might be construed as estopping the losing party from arguing entitlement to a patent for species and sub-genera within the lost count. Since proof of a single species is dispositive of the question of priority as to a genus, no matter how large, this is a more severe result than would appear to be proper or intended.

Example B: Under the facts of Example A, if the standard under which the propriety for including a second sub-generic or species count is merely that the *proposed* count must be non-obvious over the *existing* count considered as prior art, then, an

interference could conceivably proceed with both the generic and the species count in the interference. The usual criteria for "selection inventions" could be employed. However, when an interference is declared with a species count embodying Invention A, then utilization of a test requiring that a proposed count be non-obvious over the existing count as prior art leads literally to the conclusion that a proposed count to a generic Invention B is *anticipated* by the existing species count and therefore may not be added to the interference. This artificial distinction can certainly not have been intended, and yet the rules provide no clear indication of which result is the "correct" one or whether another test will be employed, e.g., the narrower count need only be non-obvious over the broader count.

Example C: A party moves to substitute two sub-generic counts to allegedly separately patentable inventions, Invention A and Invention B, in place of a broad generic count to the "Markush" group of Invention A and Invention B. The party alleges Invention B has surprising and unexpected properties over Invention A and is separately patentable thereover. Because, however, a consideration of Invention B as "prior art" suggests Invention A would not be non-obvious thereover, the motion is denied. The moving party establishes priority as to Invention B, but loses the sole count of the interference to an opponent who filed a foreign application disclosing a single species from Invention A. The result is that the moving party with clear evidence of priority apparently loses the right to patent an invention on the technicality of "count formation" in interference. The result is substantially more severe than had he been simply faced with a statutory bar!

Example D: The senior party, a foreign applicant, relies on a priority application disclosing Embodiment A. Subsequently the junior party files a United States application directed to an Embodiment B. Thereafter both parties file applications in the United States disclosing a generic invention including both Embodiments A and B. An interference is declared on the generic invention and the junior party moves to substitute two counts, one count to Embodiment A and a second count to Embodiment B on the ground that they represent separate patentable inventions. Since the junior party's invention date for Embodiment B is after the senior party's priority date, the junior party will be obliged to concede priority on the sole count in the interference unless his motion to substitute counts is granted.

Accordingly, the junior party undertakes laboratory tests which indicate that both Embodiments A and B achieve substantially the same result in substantially the same manner without any significant differences in effectiveness. Without evidence of separate patentability to support the motion to substitute, the junior party is unsuccessful and priority is awarded to the senior party.

The junior party abandons his claim to the generic invention of the lost count, but persists in his assertion he is entitled to a patent on Embodiment B since the interference record indicates no actual priority for this embodiment in favor of the senior party. Ultimately, the junior party obtains evidence that Embodiment B is unexpectedly more useful than anticipated in a commercial setting, while Embodiment A is substantially unsuitable for any practical use in a commercial setting.

Is the junior party entitled to a patent notwithstanding the disposition of the issue of its separate patentability in an *inter partes* proceeding? If indeed, the junior party would be entitled to such a patent, must a second interference now be declared with the senior party to again litigate the issue of priority? Had the junior party failed to have made the motion to substitute counts in view of his utter lack of supporting evidence of separate patentability, would the estoppel under 37 CFR 1.658(c) have applied? Finally, would the ends of justice be better served by a standard for count formation which could be finally determined contemporaneously with the filing of the preliminary motions themselves? All of these questions suggest that the utilization of a fluid concept such as non-obviousness as the basis for count formation will give unintended and unsupportable results in situations where the lack of separate patentability is prematurely assumed.

Example E: In the scenario of Example D, the non-entitlement to contest Embodiment B as a separate count was premised on a failure to demonstrate that Embodiment B was non-obvious over Embodiment A considered as prior art. However, an award of priority to the senior party based on the disclosure of Embodiment A in a foreign priority application does not render Embodi-

ment A as available prior art (35 USC 102(g)/103) inasmuch as Embodiment A would not have been a prior invention of another made in the United States which had not been abandoned, suppressed or concealed. The junior party's entitlement to a patent on Embodiment B should depend, therefore, solely on his entitlement to priority with respect to Embodiment B. Priority is a necessary condition for entitlement to a patent since both parties disclose the embodiment and a sufficient condition since regardless of the party entitled to priority on Embodiment A, it should not become obviousness-generating prior art. Therefore, any standard or count formation which fails to reach the result of the junior party is entitled to contest priority and a patent on Embodiment B is contrary to current statutory requirements for entitlement to a patent.

The proposed rules attempt to rationally define counts in an interference so that the judgment in the interference settles all questions of entitlement to a patent. This not only cannot be done *prospectively*, but should not be done at all. Judgment should be made on *claims*, not counts and unpatentability determinations made against a party subject to the normal *ex parte* standard that additional evidence of non-obviousness, or other evidence of patentability wholly independent of priority itself, could compel a reconsideration of the judgment of unpatentability.

With respect to paragraph (1) of the comment, the standard of patentability will *not* be applied "on a mutual basis." Thus, if a species is patentable over a genus, the species is a "separate patentable invention" from the genus. Compare *In re Taub*, 348 F.2d 556, 146 USPQ 384 (CCPA 1965) (fluorine species might be patentable over genus of Markush group of hydrogen and halogens). A first count to a genus and a second count to a species which is patentable over the genus may properly appear in an interference. See e.g., Example 4. The comment suggests that if "such mutuality is not applied . . . then a number of irreconcilable anomalies . . . will be manifest." The urged "irreconcilable anomalies" are not readily apparent to the PTO.

The PTO disagrees with the concept expressed in paragraph (2) of the comment that there should be "post-interference reconsideration of separate patentability." One of the principal objects of Public Law 98-622 and these new rules is to encourage complete determination of all rights between parties in an interference and to avoid post-interference reconsideration in an *ex parte* environment of issues which were or could have been raised *inter partes* in an interference.

The commentator remarks in paragraph (3) of the comment that "[a] party entitled to priority for a count under the benefit of 35 USC 119 creates no 'prior art' under 35 USC 102(g)/103 against his opponent." *In re McKellin*, 529 F.2d 1324, 188 USPQ 428 (CCPA 1976), arguable provides support for the commentator's remark. It should be noted, however, that in defining "same patentable invention" and "separate patentable invention" in § 1.601(n), the PTO is not establishing a new definition of "prior art." Rather, the PTO is providing definitions which will determine—both initially and ultimately in an interference—how *claims* in an application or patent will be designated to correspond to counts. See §§ 1.603 and 1.606. Examples 1-19 illustrate how the PTO proposes to initially designate claims to correspond to counts. The designation of claims to correspond (or not correspond) to a count is significant because, as noted by the plurality opinion in *McKellin*, 529 F.2d at 1327, 188 USPQ at 432: "[a]n applicant [or patentee] who has lost an interference is not entitled to claims which correspond to the subject matter of the counts of the interference." Section 1.658(c) estops a party from obtaining a claim which could have been added and which would have been designated to correspond to the lost count. The definitions of "same patentable invention" and "separate patentable invention" in § 1.601(n), the availability of motions to designate or not designate claims as corresponding to a count under § 1.633(c), and the estoppel provisions of § 1.658(c) provide the basis for accomplishing the PTO's objective of resolving *inter partes* in a single proceeding all issues which are or could have been raised between parties in an interference.

Examples illustrate how §§ 1.601(n), 1.633(c) and 1.658(c) accomplish the PTO's objective.

Example 32: Application AV discloses engines in general and in particular a 6-cylinder engine. Application AV contains only claim 1 (engine). Application AW discloses engines in

general, but does not specifically disclose a 6-cylinder engine. Application AW contains only a single claim 3 (engine). The U.S. "filing date" (§ 1.601(h)) of the AV application is prior to the U. S. filing date of the AW application, but the AW application claims a foreign priority date under 35 U.S.C. 119 based on an application filed in a foreign country prior to the filing date of the AV application. An interference is declared. The sole count of the interference is to "an engine." Claim 1 of the AV application and claim 3 of the AW application are designated to correspond to the count. During the interference, applicant AV does not move under § 1.633(c)(2) to add a claim to a 6-cylinder engine and to designate the claim to correspond to the count. Applicant AW is awarded a judgment in the interference based on the earlier filing date of the foreign patent application. After the interference, applicant AV adds claim 2 (6-cylinder engine) to the AV application. Whether AV would be entitled to a patent containing a claim to a 6-cylinder engine will depend solely on whether a 6-cylinder engine is a "separate patentable invention" from "engine"—the subject matter of the count. If a 6-cylinder engine is a "separate patentable invention" within the meaning of § 1.601(n), applicant AV could not have successfully moved under § 1.633(c)(2) to add claim 2 and to designate it to correspond to the count. Therefore applicant AV could obtain a patent containing claim 2. If, on the other hand, a 6-cylinder engine is not a "separate patentable invention," claim 2 of the AV application would be rejected on the basis of interference estoppel because claim 2 could have been added by a motion under § 1.633(c)(2). See § 1.658(c). See also Example 37.

Example 33: This example is basically the same as Example 32, except that application AV initially contains claim 1 (engine) and claim 2 (6-cylinder engine). When the interference is declared, both claims 1 and 2 of application AV are designated to correspond to the count. During the interference, applicant AV does not move under § 1.633(c)(4) to designate claim 2 as not corresponding to the count. A judgment in the interference is entered for applicant AW based on the earlier filing date of the foreign patent application. After the interference, applicant AV would not be able to obtain a patent containing claim 2, because that claim was designated to correspond to a count and entry of the judgment constitutes a final decision by the PTO refusing to grant applicant AV a patent containing claim 2.

In the written comment, Examples A through E were set out to illustrate what the commentator believed were "perceived difficulties." These examples are set out above and are analyzed below.

Analysis of Commentator's Example A

Example A does not describe any practice under these rules, because "same patentable invention" and "separate patentable invention" under § 1.601(n) are not intended to be "applied in a mutuality sense." Where a first count is to a genus and a second count is to a species within the scope of the genus, there may be two counts if the species is separately patentable from the genus. The species is "invention A" referred to in § 1.601(n); the genus is "invention B" referred to in § 1.601(n).

Analysis of Commentator's Example B

Commentator's Example B suggests—incorrectly—that if an interference is declared with a count to a species that no motion under § 1.633(c)(1) to add a count to a genus can ever be granted. If the species ("invention A" referred to in § 1.601(n)) is not anticipated by or obvious in view of the genus ("invention B" referred to in § 1.601(n)), a motion to add a separate count to the genus may be proper. The commentator uses the language "selection inventions" in both Examples A and B. Insofar as the PTO is aware, the language is not a term of art in the patent law. The PTO has not ascribed any particular meaning to the language in analyzing Examples A or B.

Analysis of Commentator's Example C

The result suggested in commentator's Example C can come to pass only if the moving party accepts as final the denial of the motion to substitute two "sub-generic counts" for the "broad generic count." Unlike practice under the rules which have been in effect, under these new rules a decision denying a motion to

substitute a count is reviewable by the Board (see § 1.640(c) and § 1.655(a), second sentence). Additionally, the party could seek judicial review (35 U.S.C. §§ 141, 146) of any final decision by the Board. However, if the party accepts as final the PTO's determination that inventions A and B are the "same patentable invention," the party would be precluded from obtaining a patent to invention B. After the interference is terminated, the only conceivable way that the moving party could seek to obtain a patent containing claims to invention B would be to first successfully move to reopen the interference for the purpose of presenting additional evidence. If the motion to reopen is granted (and it would be expected that such a motion will rarely be granted), the moving party would then have to successfully establish that invention A and invention B are not the same patentable invention. The PTO will continue to follow the general guidelines of 4 Rivise & Caesar, *Interference Law and Practice*, § 821 *et seq.* (Michie Co. 1948), in determining motions to reopen an interference after entry of judgment. It should be additionally noted that interferences in which a judgment has been entered by a district court in an action brought under 35 U.S.C. § 146 or a mandate has been entered by the U. S. Court of Appeals for the Federal Circuit (35 U.S.C. § 141 or 28 U.S.C. § 1295(a)(4)(C)) will not be reopened until the district court vacates its judgment and/or the Federal Circuit withdraws its mandate.

Analysis of Commentator's Example D

Several questions asked in the commentator's Example D can be answered as follows:

Question: Is the junior party entitled to a patent notwithstanding the disposition of the issue of its separate patentability in an *inter partes* proceeding? **Answer:** No. The junior party should have presented the "evidence that Embodiment B is unexpectedly more useful than anticipated in a commercial setting" during the interference. The PTO expects to resolve issues *inter partes* in the interference. If the PTO was to permit the evidence to be presented after the interference is terminated and after *ex parte* prosecution resumes, a principal purpose of the overall change to interference practice would be defeated. It may be unfortunate that the evidence was not known to the junior party. However, it may also be true that the winning party—had the evidence been presented in the interference—could have produced probative counter-evidence. Why should the winning party be put to the expense of a second interference?

Question: If indeed, the junior party would be entitled to such a patent, must a second interference now be declared with the senior party to again litigate the issue of priority? **Answer:** The premise in the question is not correct. The junior party is not entitled to a patent to Embodiment B and therefore there will not be a second interference.

Question: Had the junior party failed to have made the motion to substitute counts in view of his utter lack of supporting evidence of separate patentability, would the estoppel under 37 CFR 1.658(c) have applied? **Answer:** Yes, unless the junior party can successfully move to reopen the interference.

Question: Would the ends of justice be better served by a standard for count formation which could be finally determined contemporaneously with the filing of the preliminary motions themselves? **Answer:** While the question is not fully understood, it should be recognized that counts will initially be formed when an interference is declared and are subject to being changed by a motion (§ 1.633(c)) or by the Board (§ 1.640(c) and § 1.655, second sentence). The correctness of the PTO's ultimate decision on what counts should be is subject to judicial review (35 U.S.C. §§ 141, 146).

Analysis of Commentator's Example E

The PTO, without agreeing or disagreeing with all of the commentator's statements in Example E, disagrees with any ultimate conclusion that the junior party is entitled to a patent on Embodiment B and that such a result "is contrary to current statutory requirements for entitlement to a patent." Interference estoppel precludes granting a patent claiming Embodiment B to the junior party even if Embodiment A is not prior art with respect to Embodiment B.

One comment asked whether "invention A" and "invention B" mentioned in § 1.601(n) "refer to the entire scope of subject matter recited in a claim or to the disclosed embodiment(s)

supporting the claim (a la *In re Vogel*, [422 F.2d 438,] 164 USPO 619 (CCPA 1970))?" The question is somewhat difficult, if not impossible, to answer in the abstract. Whether "invention A" refers to the entire scope or to the embodiments which support a claim is not controlling under these new rules. One fundamental change being made under the new rules is that judgments will be in the form of whether an applicant or patentee is or is not entitled to a claim. In the past, the Board of Patent Interferences has entered an "award of priority." The use of an "award of priority" does not always accurately express the "judgment" entered in many interferences. See e.g., *Applegate v. Scherer*, 332 F.2d 571, 573 n. 1, 141 USPQ 796, 798 n. 1 (CCPA 1964). Whether an applicant or patentee is or is not entitled to a particular claim in any given interference will depend on many factors, some of which include the scope of the claim, the scope of the opponent's claim, and the prior art. An example illustrates the point.

Example 34: Applicant AX discloses an apparatus having fastening means. The specific means disclosed are rivets. Applicant AY discloses a similar apparatus having fastening means. The specific means disclosed are a nut and bolt. The prior art reveals that items have been fastened with numerous fastening means including both rivets and nuts and bolts. In determining whether AX's apparatus with rivet fastening means is the "same patentable invention" as AY's apparatus with nut and bolt fastening means, it would be proper to consider the specific apparatus disclosed by AX, the specific apparatus disclosed by AY, the fact that both AX and AY disclose the use of "fastening means" broadly, and the prior art which shows rivets and nuts and bolts to be known fastening means.

One comment suggested that the last sentence of § 1.604(b) and the last sentence of § 1.607(c) be deleted in view of a proposed rule (§ 10.23(c)(7); 49 F.R. 10028; 49 F.R. 33809) which defines "misconduct" as including "[k] nowingly withholding from the Office information identifying a patent or application of another from which one or more claims have been copied." The proposed rule is still being considered. In any event, the last sentences of §§ 1.604(b) and 1.607(c) are instructions to examiners whereas proposed 37 CFR § 10.23(c)(7) defines misconduct for those registered to practice before the PTO. Another comment suggested deletion of § 1.604(b) because "existing rules [37 CFR § 1.56] already provide a duty of disclosure of subject matter material to examination." There is no inconsistency between the rule relating to the duty of disclosure and § 1.604. The comment also suggested that by identifying another application, an applicant "might be construed as having admitted that the claims" of the other application are directed to the same patentable invention as the claims in the applicant's application. The filing of such a paper is a statement by the applicant that the claims presented are "known to the applicant to define the same patentable invention" (emphasis added). If an applicant wishes to call another application to the attention of an examiner and the applicant believes that the other application does not claim the same patentable invention, but nevertheless may be relevant within the meaning of 37 CFR § 1.56, the applicant may identify the other application and at the same time state why the invention claimed in the other application is not the same patentable invention as the invention claimed in the applicant's application. For the reasons given, the suggestions made in the two comments are not being adopted.

Three comments relating to § 1.605 were received. One comment suggested that the language "or substantially the same as the suggested claim" be deleted from the third sentence of § 1.605. The suggestion is being adopted to the extent that the language "a claim which is the same or substantially the same as" is being deleted. Under § 1.605, when the examiner requests an applicant to copy a suggested claim, the applicant will be required to copy verbatim the claim suggested by the examiner. A second comment suggested that the second and third sentences of § 1.605 be changed to read as follows:

The applicant to whom the claim is suggested shall amend the application by presenting the suggested claim, or shall identify in the application one or more pending claims which the applicant regards as being directed to the same or substantially the same invention as the suggested claim, within a time specified by the Examiner, not less than thirty days. Failure or refusal of an applicant to timely present a claim or to timely identify one or more claims which are directed to the same or

substantially the same invention as the suggested claim shall be taken without further action as a disclaimer by the applicant of the invention defined by the suggested claim.

A third comment suggested that the second and third sentences of § 1.605 fail to take into account the case where an applicant is already claiming the invention. The third comment suggested addition of the following at the end of the third sentence of § 1.605(a): "unless the application already contains claims to the same patentable invention." The suggestions made in the second and third comments are not being adopted as such. However, the following sentence is being added as the fourth sentence of § 1.605: "At the time the suggested claim is presented, the applicant may also (1) call the examiner's attention to other claims already in the application or which are presented with the suggested claim and (2) explain why the other claims would be more appropriate to be included in any interference which may be declared." A major deficiency of the suggestions made in the second and third comments was the inability of the PTO to efficiently and effectively handle situations where the applicant (1) presents a claim which is "substantially the same as" the suggested claim or (2) points to a claim already in the application and the examiner is of the opinion that the claim is not to the same patentable invention. Under these circumstances, the examiner could not properly declare an interference. Accordingly, the applicant will be required to present verbatim the suggested claim. The applicant may, however, also present any other claim which the applicant believes is more appropriate. Alternatively, the applicant, in addition to presenting verbatim the suggested claim, may also call the examiner's attention to a claim already in the application which the applicant believes is more appropriate for interference purposes. In either case, the applicant must explain to the examiner why a claim other than the suggested claim is more appropriate for inclusion in the interference. Upon consideration of the suggested claim and the applicant's alternative claims and any explanation, the examiner is in a position to forward the application to the Board for declaration of an interference. If the applicant is dissatisfied with the claims of the application designated to correspond to the count, the applicant may file an appropriate motion under § 1.633(c).

Two comments were received which suggested that the last sentence of § 1.606 is not entirely clear. One comment suggested that the language in the last sentence which reads: "to define one patentable invention" be changed to read: "not to contain separate patentable invention." This suggestion is being adopted. The use of the language "one patentable invention" was unfortunate and rendered the actual intent of the rule unclear. Under § 1.606, at the time an interference is declared a *rebuttable* presumption will exist that any patent claim designated to correspond to a count does not embrace separate patentable inventions. Moreover, at the time the interference is declared, no count will be narrower in scope than the broadest patent claim designated to correspond to that count. The presumption is *rebuttable* and may be challenged and overcome by a motion under § 1.633(c). Examples 17 and 18 illustrate practice under § 1.606.

Two comments were received discussing § 1.607. A first comment suggested that the word "must" in the first sentence of § 1.607(c) be changed to "shall". The suggestion is being adopted. Use of "shall" makes § 1.607(c) consistent with § 1.604(b). A second comment asked the following question:

"If the examiner determines that the applicant's claim is patentable but that there is no interfering subject matter, and the examiner accordingly allows the claim but refuses to declare an interference, is that determination appealable [to the Board of Appeals and Interferences under 35 U.S.C. § 1.134]?"

The commentator suggests that "such a determination" is appealable and rationale in support of the commentator's position appears in Gholz, *Board of Appeals Jurisdiction Over Appeals from Decisions by Primary Examiners Refusing to Institute Interferences on Modified or Phantom Counts*, 64 J. Pat. Off. Soc'y 651 (1982). At the hearing, the commentator orally urged that the rules be amended to permit an appeal to the Board when an examiner allows a claim, but refuses to declare an interference involving the allowed claim. The suggestion is not

being adopted. A decision by an examiner to allow a claim, but not to declare an interference involving the allowed claim, is petitionable and not appealable. See Gholz, *supra*, at 652 n. 13. The rule being suggested would enlarge the jurisdiction of the Board. Action by Congress would be necessary to accomplish what is embodied in the suggestion.

Several written comments and one oral presentation at the hearing were made concerning § 1.608. One comment suggested that § 1.608 be expanded to provide for summary judgment in interferences involving applications where the earlier of the filing date or effective filing date of one application was three months earlier than the date of the other application. This suggestion is not being adopted. Ordinarily, interferences are not declared between applications having effective dates more than three months apart. Moreover, expanding summary judgment proceedings to application-application interferences would result in delay in resolving interferences. Currently in application-patent summary judgment proceedings under 37 CFR § 1.204(c), very few summary judgments are entered against applicants who are junior to a patentee by more than three months. There is no reason to expect that a significant number of summary judgments would be entered in application-application interferences. As noted in the notice of proposed rulemaking, the PTO has already declined to expand summary judgment proceedings to cases where a patentee is junior to an applicant by more than three months. See 49 F.R. 3775 (paragraph bridging columns 1 and 2); 1039 O.G. 34; 1039 TMOG 34; 27 BNA 319.

Two written comments were received which suggested that § 1.608(b) should be more specific in indicating the kind of evidence which should be submitted when an applicant attempts to make out a *prima facie* case based on priority of invention. The suggestions in the comments are being adopted. The following sentence has been added to § 1.608(b):

Where the basis upon which an applicant is entitled to judgment relative to a patentee is priority of invention, the evidence shall include affidavits by the applicant, if possible, and one or more corroborating witnesses, supported by documentary evidence, if available, each setting out a factual description of acts and circumstances performed or observed by the affiant, which collectively would *prima facie* entitle the applicant to judgment on priority with respect to the earlier of the filing date or effective filing date of the patent.

Similar language appears in the current rule: 37 CFR § 1.204(c). The PTO agrees entirely with the following discussion made by one commentator:

The material added to Rule 608(b) currently appears in existing 37 CFR § 1.204(c). A comparison of the existing language of 37 CFR § 1.204(c) with the proposed rule might be construed as suggesting that the allegations which are now expressly required where priority is an issue will be changed, specifically relaxed in some manner. Since under proposed Rule 617 this clearly is *not* the case, the proposed addition to Rule 608(b) should assist the practitioner in understanding the intent of the PTO.

The commentator has accurately pointed out that the PTO intends to apply a stricter standard for filing additional evidence in summary judgment proceedings after an order to show cause has been issued. See the notice of proposed rulemaking, 49 F.R. 3775 (column 1); 1039 O.G. 34; 1039 TMOG 1039; 27 BNA 319 (column 1).

At the hearing, it was suggested that § 1.608 should encourage the use of 8-1/2 by 11 inch paper for affidavits. This suggestion is being adopted and the following sentence has been added to § 1.608(b): "To facilitate preparation of a record (f. 1.653(g) and (h)) for final hearing, an applicant should file affidavits on paper which is 8-1/2 x 11 inches (21.8 by 27.9 cm.)." The commentator at the hearing suggested that "many people submitting a Rule 608(b) showing are going to want to rely upon that showing under Rule 672(b)" in those cases where an interference is allowed to proceed. Use of 8-1/2 by 11 inch paper will facilitate preparation of the ultimate record.

Two comments were received with respect to § 1.609. The first comment suggested that the language "count or counts" in § 1.609(b)(1) be changed to "proposed count or counts" and that

each occurrence of "the count" in § 1.609(b)(2) be changed to "each count". The suggestion is being adopted. These changes are editorial in nature and are designed to enhance the clarity of the rule. A second comment indicated that it was not clear to the commentator why it was necessary under § 1.609(b)(3) for the examiner to identify the claims in an application or patent which are deemed to be patentable over any count. The commentator went on to say that the examiner "could probably readily identify claims which would clearly be unpatentable over a count and perhaps this would be all that is needed. If the examiner simply said all claims are considered unpatentable over the count, what recourse does the applicant have if he disagrees?" The purpose of having the examiner identify all claims which are patentable over the count or counts is to place the parties on notice that those claims are allowable notwithstanding any decision in the interference. Thus, in an interference between Jones and Smith if the examiner indicates that claim 8 of Jones is patentable over the proposed count or counts, Smith will know that Jones may receive a patent containing claim 8 even if Smith wins the interference. This will permit Smith to move under § 1.633(c) to add claim 8 as corresponding to a count if Smith believes claim 8 defines the same patentable invention as one of the counts. Contrary to the suggestion in the comment, an examiner will not indicate that a claim is unpatentable over a count; rather, the examiner will designate the claim to correspond to a count. Each claim in a patent or application which is directed to the same patentable invention as a count will be designated to correspond to the count. Under the new practice, an examiner will no longer have occasion to indicate that a claim will be rejected over a lost count. To fully answer the commentator's question, if a claim is designated to correspond to a count and the applicant believes the claim does not define the same patentable invention as the count, the applicant may move under § 1.633(c) to designate the claim as *not* corresponding to the count. If the motion is granted, the examiner would be authorized to issue the applicant a patent containing the claim even if the applicant loses the interference.

Several comments were received which discuss § 1.611. One comment suggested addition of a paragraph (f) to permit expanded summary judgment proceedings in application-application interferences. Since expanded summary judgment proceedings are not contemplated, the suggestion is not being adopted. See the discussion above under analysis of comments of § 1.608(b). Two comments suggested that § 1.611(c)(8), which provides that a notice declaring the interference shall specify among other things the "order of the parties," fails to take into account the fact one party may be "senior" as to one count and "junior" as to another count. As explained above in connection with the analysis of the comments concerning § 1.601(m), the "order of the parties" is a procedural tool. It indicates the "style" of the case—which practitioners are encouraged to use. If there are two counts and one party is "senior" as to one count and "junior" as to another count, the party has the burden of proof as to that count to which the party is "junior." See § 1.657. Appropriate testimony periods will be set (§ 1.651(b)) to accommodate differing burdens of proof in cases where a party is "senior" on one count and "junior" on another count. The suggestions to change the meaning of "order of the parties" are not being adopted. Another comment suggested that § 1.611(e) be changed to indicate that notice "shall" (as opposed to "may") be given in the *Official Gazette* when an interference has been declared involving a patent. No useful purpose would be served by changing "may" to "shall" inasmuch as the rights of parties involved in an interference are not affected by publication or non-publication of the fact that a patent is involved in the interference. By § 1.611 the PTO intends to exercise discretion to publish in the *Official Gazette* an identification of patents which become involved in interferences; however, the PTO does not intend to undertake an absolute obligation to do so. The use of "may" better expresses the PTO's intent behind § 1.611(e).

No written comments were received relating to § 1.612. However, at the hearing two suggestions were made orally. The first suggestion was that where a "party" has obtained a copy of his "opponent's" affidavit under § 1.131 or § 1.608(b) (see § 1.612(b)), the party should be required to notify the opponent. According to the suggestion, if the opponent then intends to rely on the affidavit (§ 1.671(e)), the opponent would have to "reserve" the affidavit on the party. This suggestion is not being adopted. When the party gains access to the affidavit under § 1.612(b), the party may or may not make an accurate copy. On

the other hand, the opponent knows exactly those portions of the affidavit upon which the opponent intends to rely. After careful consideration, the PTO believes on balance that it is better for the opponent to serve a copy of the evidence upon which the opponent intends to rely. Service avoids issues as to whether the party obtained under § 1.612(b) a complete and/or accurate copy of the evidence upon which the opponent intends to rely.

The second suggestion concerning § 1.612 made orally at the hearing was that a party should have access to an opponent's "predecessor application, even though the application may not be relied upon for 35 USC, Section 120 benefit." According to the suggestion, access to a "predecessor application" may be needed to uncover relevant evidence, including violations of 37 CFR § 1.56. Specifically, the commentator called attention to *Driscoll v. Cebalo*, 731 F.2d 878, 221 USPQ 745 (Fed. Cir. 1984), *rehearing denied mem.*, (Fed. Cir. July 25, 1984). The suggestion is not being adopted. The Patent Statute (35 U.S.C. § 122) provides that applications for patent will be preserved in secrecy by the PTO unless special circumstances are shown. Section 1.687(c) provides for "additional discovery" when required in the interest of justice. Additional discovery is believed to provide the necessary procedural vehicle for obtaining access to an opponent's "predecessor application."

One comment was received which suggested that the language "or members of the same firm of attorneys and agents" be added after "agent" in § 1.613(b). The suggestion is being adopted, because it is believed to make the rule clearer.

One comment was received which said the following with respect to § 1.616: "Sanctions should not be left to the Examiner-in-Chief (EIC) or BAI [Board of Patent Appeals and Interferences] - This Rule is unnecessary and should be deleted. An alternative would be to give sanction power only to the BAI." The suggestion to delete § 1.616 is not being adopted. There are cases where sanctions are warranted. See e.g., *Woods v. Tsuchiya*, 207 USPQ 228 (Comm'r. Pat. 1979) and *Tezel v. Bellantoni*, 188 USPQ 688 (Bd. Pat. Int. 1975). The PTO continues to believe that imposition of a sanction (except judgment) by a single examiner-in-chief is appropriate. In any event, a party may ask a 3-member panel of the Board to reconsider any sanction which may be imposed by a single examiner-in-chief. See § 1.640(c).

Several written and oral comments were received regarding § 1.617.

One oral comment made at the hearing suggested that "it should be explicitly stated in Rule 617(a) that the decision of the examiner-in-chief to permit the interference to proceed is without prejudice to the right of any other party to attack the sufficiency of the Rule 608(b) showing when offered as Rule 672 testimony." The suggestion is not being adopted. While no explicit statement to that effect will be placed in § 1.617(a), it necessarily follows that any opponent may attack the sufficiency of an applicant's showing under § 1.608(b) when that showing is presented as evidence under § 1.672. In summary judgment proceedings, all an applicant need do is make out a *prima facie* case. If the interference is allowed to proceed in the normal manner, the applicant must prove priority by a preponderance of evidence (when the application and the patent are copending) or beyond a reasonable doubt (when the application was filed after the patent issued). Manifestly, the burden in summary judgment proceedings is not as strict as the burden in proceedings following summary judgment. *Breuer v. DeMarinis*, 558 F.2d 22, 28, 194 USPQ 308, 313 (CCPA 1977) and *Schwab v. Pittman*, 451 F.2d 637, 640, 172 USPQ 69, 71 (CCPA 1971).

Several comments suggested that an applicant should be permitted as a matter of right to file a reply to any statement filed by any opponent under § 1.617(d). The suggestion that a reply be permitted is being adopted. Accordingly, § 1.617(e) has been changed to read: "[w]ithin a time authorized by the examiner-in-chief, an applicant may file a reply to any statement filed by any opponent." Some of the comments indicated that the applicant should be able to reply to a statement by a patentee or another opponent. The language "any opponent" in § 1.617(e) is intended to include both the patentee and any other opponent. The change in the last sentence of § 1.617(h) of "patentee" to "any opponent" is intended to make clear that all parties may appear at a hearing if the applicant requests a hearing.

One comment suggested that the patentee (and presumably any other opponent) should be allowed to present "evidence" during summary judgment proceedings. This suggestion is not

being adopted. A change in the second sentence of § 1.617(d) is intended to make clear that opponents may file statements in response to an applicant's "response," but the statement "shall be limited to discussing why all the evidence presented by the applicant does not overcome the reasons given by the examiner-in-chief for issuing the order to show cause." The PTO does not intend to expand summary judgment proceedings into a "mini-interference." An applicant presents evidence under § 1.608(b). If the examiner-in-chief finds that evidence insufficient, an order to show cause stating reasons for the insufficiency is issued. An applicant may respond and, if appropriate, file "additional evidence." The PTO intends to be rather strict in permitting the filing of new evidence. After the applicant responds (with or without additional evidence), any opponent may file a statement. In the statement, the opponent should be free to comment on all the evidence (original and additional) which the applicant presents. Compare *In re Plockinger*, 481 F.2d 1327, 179 USPQ 103 (CCPA 1973). Under § 1.617(d) the opponent may not urge a rationale for summary judgment which does not appear in the order to show cause issued by the examiner-in-chief. However, it is not the PTO's intent to interpret § 1.617(d) in the narrow manner the Court of Customs and Patent Appeals interpreted 37 CFR § 1.204(c) in *Kahl v. Scoville*, 609 F.2d 991, 995-996, 203 USPQ 652, 656 [headnote 6] (CCPA 1979). An example will illustrate how the PTO intends to interpret § 1.617(d).

Example 35: An applicant copies claims from a patent and is required to submit a showing under § 1.608(b). Upon review of the showing under § 1.608(b), the examiner-in-chief concludes that the showing fails to make out a *prima facie* case of priority, because applicant has failed to show an actual reduction to practice. Applicant files a response and includes additional evidence which purports to show an actual reduction to practice. The patentee then files a statement in which two arguments are made. *First*, patentee argues that the additional evidence has not been properly authenticated. *Second*, patentee argues that even if applicant has shown an actual reduction to practice, summary judgment is nevertheless appropriate because applicant suppressed and concealed after the actual reduction to practice. The first argument is proper, but the second argument is not. A patentee may comment on the sufficiency of the applicant's evidence. Fairness, however, dictates that summary judgment be granted only after fair notice in the order to show cause. Accordingly, summary judgment will not be based on a rationale raised by a patentee in a statement which does not correspond to the rationale used by the examiner-in-chief in the order to show cause.

A change has been made in § 1.617(a) and § 1.617(g) to make clear that once summary judgment proceedings have concluded, an interference will proceed "in the normal manner." The change is intended to codify the decisions in *Walsh v. Sakai*, 167 USPQ 465 (Comm'r.Pat. 1967) and *Ing v. Chiou*, 207 USPQ 321 (Comm'r.Pat. 1979). This change is further discussed in the discussion of the comments received with respect to § 1.635.

One comment was received which indicated that § 1.618:

"needs qualification. It may be appropriate to resubmit certain papers (See also § 1.644(d) last sentence)."

The precise "qualification" needed was not set forth in the comment. Likewise, no example of "certain papers" was set forth. Under the circumstances, the PTO declines to make any change in § 1.618.

Several comments were received which discussed the rules relating to preliminary statements.

Three comments were received which suggested that § 1.622(a) be amended to "take into account several court decisions holding that joint inventors need not be joint inventors of [the subject matter of] all claims." Changes have been made in § 1.622(a) consistent with the amendment to 35 U.S.C. § 116 made by Public Law 98-622.

One comment was critical of §§ 1.623(c); 1.624(c); and 1.625(c), because § 1.628(b) does not cover the possibility that a drawing might not be available, e.g., a drawing destroyed in "a fire." Section 1.628(b) has been amended to permit a party to allege a date when a first drawing or first written description was made in those circumstances where the first drawing or first written description is not available. The party will be required (1) to show good cause and explain in the preliminary statement why a copy of the drawing or written description cannot be attached

to the preliminary statement and (2) attach to the preliminary statement the earliest drawing or written description made in or introduced into the United States which is available. The party would also be required to file a motion to amend its preliminary statement promptly after the drawing or written description becomes available. It is the PTO's intent by the amendment to § 1.628(b) to overrule the holding of headnote [1] of *Reddy v. Davis*, 187 USPQ 386, 388 (Comm'r.Pat. 1975).

Another comment was critical of the language "conceived" in § 1.623(a)(4). The current rules do not require a party to allege a conception; rather, they require one to allege the date of the certain acts which, if proved, would establish conception. See 37 CFR § 1.216(a)(4). According to the commentator, an allegation of conception is "unprovable and meaningless." The use of "conception" in § 1.623(a)(4) is intentional and is designed to permit a party to "plead" the earliest date on which it believes conception occurred. Contrary to the suggestion in the comment, "conception" is not meaningless and may be proved during the testimony period. See *Gould v. Shawlow*, 363 F.2d 908, 150 USPQ 634 (CCPA 1966); *Meitzner v. Corte*, 410 F.2d 433, 161 USPQ 599 (CCPA 1969); and *Mergenthaler v. Scudder*, 11 App.D.C. 264, 1897 C.D. 724 (D.C. Cir. 1897). There is no need to prove "conception" in the preliminary statement.

A preliminary statement serves several useful purposes in an interference: (1) it serves to limit a party's proofs as to time, (2) it serves as a vehicle for permitting the examiner-in-chief or the Board to issue orders to show cause in those cases where it would be futile to take testimony, and (3) it serves as notice to an opponent of the case which is alleged by a party. Under the rules being announced herein, the issues which will be raised and decided by the Board at final hearing are made known during the interlocutory stage through (a) the preliminary statement, (b) motions under § 1.633 and decisions thereon, and (c) notices under § 1.632 of a party's intent to argue abandonment, suppression, or concealment. Section 1.632(a)(4) requires a party to allege a date of conception—it does not require proof of conception. The allegation puts the opponent on notice that the party intends to prove conception as of a date no earlier than the date alleged in the preliminary statement.

One comment suggested that the rules relating to preliminary statements are deficient because they do not permit one to allege allegations concerning tapes. Specifically, the commentator said: "What about a taped transcript of an invention, a practice being followed in a number of research departments of corporations?" If making a tape is the last act of conception, a party may allege the date the tape was made as the conception date under § 1.623(a)(4).

Several comments were received which suggested that a party should not have to allege derivation in a preliminary statement because the party may not know derivation occurred until the testimony period. Section 1.625 requires a party to file a preliminary statement when derivation is an issue. If derivation is not known or discovered prior to the date the preliminary statement is due, a party may move to amend the preliminary statement and allege derivation promptly after existence of derivation is discovered.

Several comments discussing § 1.624 were received. One comment suggested that § 1.624(a)(5) should require a party to state, where appropriate, that no actual reduction to practice of an invention made in a foreign country was introduced into the United States. This suggestion is being adopted and a second sentence has been added to § 1.624(a)(5) which provides: "If an actual reduction to practice of the invention was not introduced into the United States, the preliminary statement shall so state." This sentence conforms § 1.624(a)(5) to the allegation required in the second sentence of § 1.623(a)(5). Another comment suggested that the language "in the United States" be inserted after "reasonable diligence" in § 1.624(a)(6) and that all occurrences of the language "was made" in § 1.624(c) be changed to "was introduced into the United States." This suggestion is being adopted. As noted in the comment, "[i]t changes . . . are necessary to clarify that for an invention made abroad the only relevant activities are those which occur in the United States." See 35 U.S.C. § 104.

One comment asked "how does one introduce 'an actual reduction to practice of the invention' in the United States?" *Breuer v. DeMarinis*, 558 F.2d 22, 194 USPQ 308 (CCPA 1971), illustrates a case where an actual reduction to practice abroad was introduced into the United States.

One comment suggested that § 1.627(a) be changed to require preliminary statements "be enclosed in an outer envelope addressed to the Commissioner of Patents and Trademarks and be additionally marked Box Interference—Preliminary Statement." According to the comment, the confidentiality of preliminary statements "envisioned under the proposed rules would be further enhanced . . ." The suggestion is not being adopted. The PTO believes it is sufficient if preliminary statements are enclosed in a sealed envelope as specified in § 1.627(a). The Board will not permit access to preliminary statements which have not been ordered opened by an examiner-in-chief.

Several comments discussing § 1.629 were received. One comment suggested that the first sentence ("A preliminary statement should be carefully prepared.") should not appear in § 1.629(a). This suggestion is being adopted. The PTO agrees with the commentator that the sentence:

"no longer appears necessary or appropriate in the context of rulemaking. The remainder of the paragraph makes the admonition redundant at best."

Two comments were received which suggested that the word "normally" be deleted from the last sentence of § 1.629(d). The suggestions are not being adopted. A preliminary statement is a pleading. The Board does not evaluate or consider the content of a drawing or written description prior to final hearing. At final hearing, in fact, the Board will only consider the drawing or written description if a party places the drawing or written description in evidence. The word "normally" first appeared in 37 CFR § 1.223(c), last sentence, in 1978 (see e.g., 973 TMOG 19 (Aug. 1, 1978)). The last sentence of 37 CFR § 1.223(c) was intended to codify headnote [2] of *Reddy v. Davis*, 187 USPQ 386 (Comm'r. Pat. 1975). The word "normally" appears in the rule to permit the Board to exercise discretion to evaluate or consider the content of a drawing or written description in some unusual and presently unforeseen circumstance.

One comment suggested that "no earlier than" in § 1.629(b) be changed to "as early as". The suggestion is being adopted inasmuch as it is believed to more clearly state the intent of the rule.

One comment suggested that § 1.629(d) "is improper because it fails to take into account testimony which can show that a drawing and/or written description were actually made even though the drawing and/or written description are not now available." A change to § 1.628(d) and addition of "unless the party complies with § 1.628(b)" to the first sentence of § 1.629(d) eliminates the problem raised by the commentator.

One comment discussing § 1.631(a) was received which expressed the view that a junior party should be required to send a copy of its preliminary statement to the senior party even if the senior party does not file a preliminary statement. According to the commentator, the senior party is *prima facie* the first inventor and at some time it will have to know the earliest dates alleged by the junior party. The rules require all parties to file a preliminary statement. If a junior party does not file a preliminary statement, it will be denied access to any other preliminary statement which is filed. A senior party, however, is always entitled to access to any preliminary statement filed by a junior party. See e.g., § 1.631(b). However, a junior party will only be required to serve a senior party who files a statement.

Numerous comments were received discussing § 1.633.

One commentator asked: "What sort of a judgment is in order if a count is not patentable over the prior art to an opponent?" Section 1.633(a) authorizes a party to bring a motion for judgment on the ground that the opponent's *claim* corresponding to a count is not patentable. It is important to note that the motion raises the patentability of the opponent's *claim* not the count. Accordingly, by a motion under § 1.633(a), a party seeks entry of a judgment that the opponent is not entitled to a patent containing a claim corresponding to a count.

Two comments questioned the nature of the judgment when a motion under § 1.633(b) is granted. Section 1.633(b) authorizes the filing of a motion for judgment on the ground that there is no interference-in-fact. If a motion under § 1.633(b) is granted, the judgment would provide that each party is entitled to a patent containing that party's claims corresponding to the count. Judgments in interferences under these rules will determine a party's

entitlement or lack of entitlement to *claims* corresponding to a count.

One comment expressed the hope that "third party inventorship" would not be made an issue in interferences. Contrary to the hope expressed by the commentator, "third party inventorship" can be made the subject of a motion under § 1.633(a). Any ground of unpatentability may be made the subject of a motion under § 1.633(a) except (1) priority of invention of the subject matter of a count by the moving party as against any opponent or (2) derivation of the subject matter of a count by an opponent from the moving party. It should be noted that under past practice, third party inventorship has not been considered "ancillary" to priority. *Sheffner v. Gallo*, 515 F.2d 1169, 185 USPQ 726 (CCPA 1975). However, under these rules, the question of whether an issue is "ancillary" no longer arises. See 130 Cong. Rec. H10528 (daily ed. Oct. 1, 1984) (statement by Rep. Kastenmeier). Public Law 98-622 gives the Board authority to consider priority and *patentability*. Third party inventorship involves a question of patentability. 35 U.S.C. § 102(f). One comment pointed out that § 1.633(e) adopts the estoppel rule approved by the Court of Customs and Patent Appeals in *Avery v. Chase*, 101 F.2d 205, 40 USPQ 343 (CCPA 1939), *cert. denied*, 307 U.S. 638 (1939), while rejecting the rule announced by the U.S. Court of Appeals for the District of Columbia Circuit in *International Cellucotton Products Co. v. Coe*, 35 F.2d 869, 30 USPQ 366 (D.C. Cir. 1936). See also *American Cyanamid Co. v. Coe*, 106 F.2d 851, 42 USPQ 302 (D.C. Cir. 1939). The commentator is correct in noting that the rules adopt the estoppel rule approved in *Avery v. Chase*. The following comment by the CCPA in its opinion in *In re Shimer*, 69 F.2d 556, 558, 21 USPQ 161, 163 (CCPA 1934), accurately expresses the intent of the PTO in promulgating §§ 1.633(e) and 1.658(c):

It may be stated that this rule works no hardship to him who is diligent in pursuit of his rights. When an interference is declared, the files of his contestants are open to him. He has full cognizance of their disclosures and claims. So advised, it becomes his duty to put forward every claim he has. [Rule 1.633(e)] . . . affords him this opportunity. If the rule be not enforced or enforceable, then delays and litigation are greatly increased. It is quite obvious that the doctrine of estoppel, as applied in these cases, results in the better conduct of the business of the Patent [and Trademark] Office and in the public good.

One comment suggested that the following be added to the end of § 1.633(c):

A motion to add or substitute a count shall be construed as an automatic request for the benefit of any earlier application [filing] dates accorded the existing count, and also as encompassed by a contemporaneous motion under § 1.633(f) or (g), unless indicated otherwise. Any opposition thereto must be raised in a motion opposition pursuant to § 1.638.

The suggestion is not being adopted. A specific reference to § 1.637(c) appears in § 1.633(c). The provisions of § 1.637(c) spell out in detail the steps which a moving party must take in filing a motion under § 1.633(c). One of those steps requires the moving party to request benefit of any earlier application. The mere fact that benefit has been accorded for a "first" count does not establish that benefit should be accorded for a "second" count. The PTO believes the burden should be on the moving party to point out where an earlier application supports a count rather than placing the burden on an opponent in the first instance to point out where an earlier application fails to support particular subject matter. There is no compelling reason to force the opponent "to prove a negative." It should be noted that the language "Where appropriate," has been deleted in every instance from § 1.637 to make clear that the burden lies on the moving party to request benefit when that party files a motion under § 1.633.

At the hearing, one individual commented that § 1.633(a) is not clear as to whether a motion for judgment based on "fraudulent appropriation of the moving party's invention by his opponent" excluded. The "fraudulent appropriation of the moving party's invention by his opponent" is derivation. Section

1.633(a)(2) excludes both "innocent" derivation (e.g., through a third party and unknown to either party in an interference) or "fraudulent" derivation (e.g., where one party knowingly takes the invention from an opponent). In either event if derivation by an opponent of a party's invention is proved, the party will be awarded judgment.

One comment made the following statement:

An opponent faced with a motion for judgment on the ground that a count is unpatentable may not be able to prove patentability in the short time periods. Provision should be made for extensions of time in such cases.

Provisions for extensions of time are made in § 1.645.

One comment addressed Example 23 which appeared in the notice of proposed rulemaking. Example 23 also appears in a slightly modified form herein and, as modified, takes into account discussion in the comment. The commentator believed that the motion mentioned in Example 23 should be denied and that a testimony period should be set. Accordingly to the commentator, the granting of the motion would shift the burden to the opponent of the motion. The commentator's point is well taken. Actually, the motion should be deferred to final hearing and a testimony period would be set. In ruling on motions under § 1.633, it will not always be possible for the examiner-in-chief to grant or deny outright a motion. When testimony is needed to rule on a motion, the proper course of action is to defer a decision on the motion to final hearing and permit testimony. See § 1.639(c). The moving party retains the burden. If testimony is taken on patentability, the parties would also have to take testimony on priority. With all testimony at its disposal, the Board would then be in a position to rule on all issues and award a judgment.

One comment asked how the claims of the parties would be designated to correspond to the counts if in Example 18 a motion to substitute Count 2 (benzene) and add Count 3 (chloroform) was granted. The following Example 36 answers the commentator's question.

Example 36: The facts in this example are the same as Example 18. Assume that applicant AB believes that benzene and chloroform define separate patentable inventions. Applicant AB would file a motion under § 1.633(c)(1) to substitute Count 2 (benzene) for Count 1 (Markush group of benzene or chloroform) and add Count 3 (chloroform). If the examiner-in-chief grants the motion, the interference would be redeclared by deleting Count 1 and substituting in its place Counts 2 and 3. Claims 1 and 2 of the patent H and claims 11 and 12 of application AB would be designated to correspond to Count 2. Claims 1 and 3 of patent H and claims 11 and 13 of application AB would be designated to correspond to Count 3. If one party proves priority with respect to both benzene and chloroform, that party would be entitled to all claims in its application or patent corresponding to Counts 2 and 3. The other party would not be entitled to a patent containing any claim corresponding to Counts 2 and 3. If patentee H proves priority with respect to benzene and applicant AB proves priority with respect to chloroform (assuming there was no issue raised at final hearing with respect to the patentable distinctness of benzene and chloroform), the judgment would provide that patentee H is not entitled to a patent with claims 1 and 3, but is entitled to a patent with claim 2 and that applicant AB is not entitled to a patent with claims 11 and 12, but is entitled to a patent with claim 13. If an issue is properly raised at final hearing as to whether benzene and chloroform are the same patentable invention and the Board holds that they are the same patentable invention, the party proving the earliest priority as to either benzene or chloroform would prevail as to all claims. Thus, if patentee H invented benzene before applicant AB invented benzene or chloroform, patentee H would be entitled to a patent containing claims 1 through 3 even if applicant AB invented chloroform before patentee H invented chloroform. Applicant AB would not be entitled to a patent with claims 11 through 13.

An oral comment was received by telephone which raised the question of whether a party is, or could be, required to present in the party's application every claim which the party may ever seek to obtain in a patent based on the party's application. According to the commentator, such a requirement would prevent the party from proceeding *ex parte* after the interference on

any claim on which a favorable judgment was not entered. It is not the PTO's intent to require a party who is an applicant to present at the outset all claims which the party may ever seek to obtain in a patent based on his application. Parties in interference cases should recognize, however, that the interference estoppel provisions of § 1.658(c) have been expanded with the view to eliminating much of the *ex parte* maneuvering which has taken place in the past after an interference is terminated. Accordingly, a party who fails to move to place a matter in issue runs a considerable risk that the party will not be able to raise the issue *ex parte* after an interference is terminated. Nevertheless, the PTO has determined that it will not, at this time, adopt the requirement suggested by the commentator. The commentator also suggested, contingent on his earlier suggestion being rejected, that the rules provide that a party be authorized to file a motion to require an opponent who is an applicant to add a claim to the opponent's application and to designate the claim as corresponding to a count. This suggestion is being adopted by addition of § 1.633(c)(5). Paragraph (c)(5) authorizes the filing of a motion to redefine the interfering subject matter by requiring an opponent who is an applicant to add a claim and to designate the claim to correspond to a count. A companion addition of paragraph (c)(5) to § 1.637 sets out the requirements of a motion under § 1.633(c)(5). Those requirements are: the moving party must (1) propose a claim to be added to the opponent's application, (2) show the patentability of the claim to the opponent and apply the terms of the claim to the disclosure of the opponent's application, (3) identify the count to which the proposed claim shall be designated to correspond, and (4) show that the proposed claim defines the same patentable invention as the count to which it will be designated to correspond. The following example illustrates how practice under §§ 1.633(c)(5) and 1.637(c)(5) is expected to occur.

Example 37: In this example, some of the facts set out in Example 32 will be used. Application AV discloses engines and in particular a 6-cylinder engine. Application AV contains only claim 1 (engine). Application AW discloses engines in general, but does not specifically disclose a 6-cylinder engine. Application AW contains only a single claim 3 (engine). Seeing that application AV specifically discloses a 6-cylinder engine and believing that a 6-cylinder engine is the same patentable invention as "engine," AW could move under § 1.633(c)(5) to require applicant AV to add a claim (6-cylinder engine) and to have the claim designated to correspond to the count (engine). Applicant AV could oppose on the ground that a 6-cylinder engine is not the "same patentable invention" as "engine." If the motion is granted, applicant AV would be required to add a claim to 6-cylinder engine and the claim would be designated to correspond to the count. If applicant AV loses the interference, the judgment would preclude applicant AV from obtaining a patent with claims to "engine" or "6-cylinder engine." If the motion is denied on the basis that a 6-cylinder engine is not the same patentable invention, applicant AV would not be required to present a claim to 6-cylinder engine and would be able to pursue such a claim *ex parte* even if applicant AV loses the interference.

If an applicant is ordered by an examiner-in-chief to file an amendment to present a claim and the applicant fails or refuses to timely present the amendment, the failure or refusal will be taken without further action as a disclaimer by the applicant of the subject matter of the claim. See the second sentence of § 1.640(b)(1).

At the hearing, one commentator indicated that it is not clear whether § 1.635 "would permit a motion for judgment in a situation where a junior party's case-in-chief fails as a matter of law to overcome a senior party's effective filing date." Under the rules, it is not the intent of the PTO to allow a senior party to test the sufficiency of the case-in-chief of a junior party prior to final hearing. Thus, a "motion for a directed verdict" (see Rule 50(a) of the Federal Rules of Civil Procedure) at the conclusion of the junior party's case-in-chief and prior to a senior party's case-in-chief is not authorized under the rules. If a senior party believes the case-in-chief of the junior party is insufficient as a matter of law, the senior party may *elect* to proceed immediately to final hearing. If the senior party is incorrect, however, the senior party will have waived any right to present any case-in-chief or rebuttal. See e.g., *Comstock v. Kroegel*, 200 USPQ 548, 550 n. 4 (Comm'r.Pat. 1978); *Lorenian v. Winstead*, 127 USPQ 501, 508 (Bd.Pat.Int. 1959); and, more recently, *Burson v. Carmichael*,

731 F.2d 849, 221 USPQ 664 (Fed. Cir. 1984) ("There is no support in law for repeated bites at the apple"). This would be true even if the only evidence relied upon by the junior party is a showing under 1.608(b). In this respect, the rules codify the decision in *Walsh v. Sakai*, 167 USPQ 465 (Comm'r. Pat. 1970).

Two comments were received which suggested that the twenty-day period in § 1.636(b) is too short. It was suggested that a longer time period be set and one comment suggested thirty (30) days. The suggestions are not being adopted. The time period set for filing oppositions will normally be set during a telephone conference call between the examiner-in-chief and the attorneys for the parties. The twenty-day period appears in the rule in the event a specific time for filing oppositions is not set by an examiner-in-chief. The twenty-day period is deemed to be sufficient in most cases. Twenty days are currently allowed to respond to a motion. See 37 CFR § 1.231(b). It should be noted that the twenty-day period is longer than the minimum period allowed by the Federal Rules of Civil Procedure for responding to motions. See Rule 6(d) and (e).

Two comments were received which discussed § 1.637. Both comments suggested that a sentence be added to § 1.637(f)(2) to require a translation to be filed when a party moves for benefit of an earlier foreign application which is not in English. The suggestions are being adopted and the following has been added as the last sentence of § 1.637(f)(2): "If the earlier application filed abroad is not in English, the requirements of § 1.647 must also be met." Section 1.647 requires a translation whenever a party relies on a document in a language other than English. One comment suggested that the language of § 1.637(f)(3) ("Show that the earlier application discloses an embodiment within the scope of the each count.") may be "contrary to past decisions of the CCPA which have held a disclosure can be good without a specific embodiment." The critical issue in each benefit situation is whether the earlier application constitutes a constructive reduction to practice of the invention defined by the count. The issue is necessarily resolved on a case-by-case basis and the presence or absence of an embodiment is only one factor to be considered. Accordingly, the language of § 1.647(f)(2) has been changed to read: "Show that the earlier application constitutes a constructive reduction to practice of each count." The comment also criticized the use of the word "each" in § 1.647(f)(2). The term "each" is used to make clear that when there are two or more counts, the moving party must show that the earlier application constitutes a constructive reduction to practice for each count. There are cases where a disclosure in an earlier application would constitute a constructive reduction to practice for one count but not for another count.

Several changes have been made to § 1.637 which were not made as a result of a comment submitted from the public. Each occurrence of the language "Where appropriate," in § 1.637 has been deleted as being unnecessary and possibly confusing. Whenever a party wants or believes that it is entitled to benefit of an earlier application, the party must file a motion under § 1.633(f) for benefit. The language "Where appropriate" may have given parties the mistaken impression that a motion was not necessary where benefit of the earlier application had been accorded in the papers declaring the interference. See the discussion above of the suggested change to § 1.633(c) which was rejected.

The language "or adding a claim to be designated to correspond to a count" has been added to § 1.637(c)(2). The change supplements a change made in § 1.633(c)(2). Section 1.637(c)(2) sets out the requirements for a preliminary motion to redefine the interfering subject matter by adding a claim in the moving party's application and to designate the claim to correspond to a count.

In § 1.637(c)(2)(ii), the language "Apply the terms of each proposed claim to the disclosure of the application" has been changed to "Show that the proposed or added claim defines the same patentable invention as the count". This change was made to add the requirement of showing that the new claim defines the same patentable invention as the count and to eliminate a requirement already contained in § 1.637(c)(2)(iii).

Section 1.637(c)(2)(iii) was changed to refer to an "amended or added claim" and thereby conform the language of the section to the language of § 1.633(c)(2).

Paragraph (c)(5) was added to set out the requirements of a motion under § 1.633(c)(5) which permits a party to move to require an opponent who is an applicant to add a claim to the

application and to designate the claim to correspond to a count. See Example 37.

Two comments were made concerning § 1.638. One comment suggested that the twenty-day periods of paragraphs (a) and (b) were too short. The PTO has evaluated the time periods of paragraphs (a) and (b) and has decided that no change will be made to those periods. Attention is directed to the discussion above of the comments concerning § 1.636(b) which also contains a twenty-day period.

Another comment made at the hearing suggested that a reply to an opposition to a motion should be permitted as a matter of course. Upon consideration of the comment, it has been decided to authorize the filing of replies to opposition to all motions. Presently, replies are permitting as a matter of course only for oppositions to motions under 37 CFR § 1.231. Section 1.638(b), as changed, would permit the reply in every instance. The PTO over the years has received complaints concerning the inability of a party to file replies. The change being made in § 1.638(b) will be reviewed sometime in the future to determine whether authorizing replies is helpful to the Board and/or whether undue delay in resolving interference occurs because replies are filed. Moreover, the PTO will make a judgment on whether "new issues" are being raised as a matter of course in replies. It can thus be seen that the change in authorizing replies may be considered experimental and could be changed in the future if found to be counterproductive or inconsistent with the objective of resolving interferences in a relatively prompt manner.

One comment discussing § 1.639 was received. The comment states:

The requirement that proofs of alleged material facts must be filed may be difficult or impossible to meet in view of the shortened times. [The] rule should make provisions for timely submission of proofs within reasonable times.

To the extent that the comment suggests setting specific times in the rules, the suggestion is not being adopted. It should be noted that if affidavits cannot be timely prepared to be filed with a motion, the moving party may wish to take advantage of paragraph (c) which requires a party to specify any testimony needed to resolve a motion.

One change was made in § 1.639(c) to make clear that a moving party or an opponent may describe any testimony needed to resolve a motion under either § 1.633 or § 1.634. Often, testimony is needed to resolve inventorship disputes. Accordingly, a party may describe testimony needed to resolve motions to correct inventorship under § 1.634. It should be noted that if a party relies solely on affidavits in support of a motion (under § 1.633 or § 1.634) and the issue raised in the motion is to be considered at final hearing, the party must comply with § 1.671(e).

Several comments were received which discussed § 1.640. One comment asked: "When the final sentence speaks of a panel deciding the request for reconsideration, does this mean that the panel decides whether to reconsider or whether to modify the decision?" It was the PTO's intent that the panel make a decision on whether to modify the decision made by the single examiner-in-chief. Accordingly, the language "shall be decided by a panel" in the last sentence of § 1.640(c) has been changed to read: "shall be acted on by a panel". Another change in language to the fourth sentence of § 1.640(c) has been made to make clear that a decision of a single examiner-in-chief will not ordinarily be modified by a panel without an opportunity to file an opposition.

Another comment suggested that § 1.640(a) be changed to "allow, even encourage, the examiner-in-chief to travel to conferences where more convenient/practical for all concerned." This suggestion is not being adopted. The use of a telephone conference call eliminates the need to adopt the suggestion. The same comment suggested that the "speedy and inexpensive" language of the second sentence of § 1.640(b) be deleted. The suggestion is not being adopted. The comment fails to explain why the language should be deleted. It is obvious that a motion cannot always be granted or denied; other action is often appropriate, e.g., deferring consideration of a motion to final hearing. Section 1.640(b) gives the examiner-in-chief discretion to take appropriate action and the "just, speedy, and inexpensive determination" language provides some standard which an examiner-

in-chief may follow in those cases where granting or denying a motion is not appropriate.

One comment was received which suggested that § 1.640 be changed to provide that an examiner-in-chief hold a hearing to determine whether an interference should proceed in those cases where a junior party fails to allege a date prior to the senior party and remains in an interference only because the junior party is alleging "fraud" by the senior party. The suggestion is not being adopted. If a party believes that an opponent has committed "fraud" or has engaged in "inequitable conduct," the party may file a motion under § 1.633(a) for judgment. Obviously, a motion for judgment on the basis of "fraud" or "inequitable conduct" must make out a case by clear and convincing evidence. The examiner-in-chief has sufficient authority under the rules to preclude a party from proceeding in an interference on a baseless charge of "fraud" or "inequitable conduct."

One oral comment was received which suggested that the examiner-in-chief be required to consult with an examiner prior to deciding a preliminary motion for judgment under § 1.633(a) based on patentability. The oral comment suggested alternate proposals:

(1) The examiner-in-chief will normally obtain a patentability report when deciding motions involving a question of patentability.

(2) The examiner-in-chief will consult with a primary examiner prior to deciding a motion raising an issue of patentability.

The suggestion of the oral comment is not being adopted. An examiner-in-chief is a person having "competent legal knowledge and scientific ability." 35 U.S.C. § 7. Examiners-in-chief review decisions of examiners on questions of patentability. Accordingly, there is no reason to require an examiner-in-chief to consult with an examiner on a question of patentability. The PTO recognizes that many examiners possess special expertise in particular arts. It is for this reason that § 1.640(b) provides that "[a]n examiner-in-chief may consult with an examiner in deciding motions involving a question of patentability" (emphasis added). Thus, an examiner-in-chief is authorized to consult with an examiner on a question of patentability where the examiner-in-chief believes consultation will be beneficial.

One comment suggested that § 1.642 be changed to permit an examiner-in-chief to add a newly discovered patent, as well as newly discovered applications, to an interference. Inasmuch as 35 U.S.C. § 135(a) authorizes interferences between applications and patents, the suggestion is being adopted. The language "application" in § 1.642 has been changed to read: "application or patent".

Several comments discussing § 1.644 were received. One commentator made four suggestions, none of which are being adopted. First, the commentator suggested that there should be no fee for a petition under § 1.644(a)(1). This suggestion is not being adopted. A decision on a petition is a service performed by the PTO on behalf of a petitioner. The Commissioner is authorized to charge fees for services performed. 35 U.S.C. § 41(d). Second, the commentator suggested that the last sentence of § 1.644(d) be deleted. This suggestion is not being adopted. In the past when parties have filed petitions, copies of documents already in the interference file have been attached to the petition. The copies tend to increase unnecessarily the size of the file of an interference. Inasmuch as the document submitted with the petition is already in the interference, there is no need to file a "second" copy of the document. Parties can expect that petitions will be returned (§ 1.618) if the petition is accompanied by documents which are already in the interference file. Third, the commentator argued that the "requirement of service within one (1) day is too onerous and should be deleted" from § 1.644(g). No rationale was given in support of the argument. Petitions have caused considerable delay in interference cases in the past. To avoid unnecessary delay and surprise on the part of the opponent, the PTO has decided to require that service of a petition be such that delivery to the opponent is within one (1) working day. Service within one day should not ordinarily be difficult in view of "Express Mail" and numerous commercial one-day delivery services available. Lastly, the commentator suggested that § 1.644(i) be changed to provide that decision on a petition would not be delegated to the examiner-in-chief handling the interference. The suggestion to change § 1.644(i) is not being adopted. However, when a PTO employee is granted authority to decide a petition in an interference case, the employee would not be the

examiner-in-chief handling the interference or an employee on a panel of the Board deciding the petition. It would be expected that an employee deciding a petition by delegation of authority would be one who could exercise independent judgment on the petition bearing in mind that a petition will be decided on the record made before the examiner-in-chief or the panel. In connection with this latter point, findings of fact by an examiner-in-chief or the Board will be presumed to be correct unless shown to be clearly erroneous. Discretionary action by an examiner-in-chief or the Board will not be overturned unless it is shown that an abuse of discretion occurred.

One commentator asked the following: "Is § 1.644(g) intended to apply only to 'oppositions' to § 1.644 petitions, or is it also applicable to § 1.638 oppositions?" The provisions of § 1.644(g) apply only to petitions filed under § 1.644; those provisions do not apply to oppositions under § 1.638.

Two comments suggested that § 1.644(a)(2) be changed to include an express statement that a petition under paragraph (a)(2) could not be filed until after the Board has entered judgment and that the petition could not relate to the merits of priority of invention or patentability or a question of whether evidence is admissible under the Federal Rules of Evidence. The suggestions are being adopted and appropriate language has been added to § 1.644(a)(2) after the word "Commissioner". The change was suggested by the commentators so that no reasonable person could possibly overlook the fact that a petition to exercise supervisory authority can be filed *only after entry of judgment*. It should be noted that the language "and shall not relate to (1) the merits of priority of invention or patentability or (2) the admissibility of evidence under the Federal Rules of Evidence" has been deleted from § 1.644(b) in view of the change to § 1.644(a)(2).

One comment suggested that the last sentence of § 1.644(f) be changed to make clear that a decision would not ordinarily be modified until the Commissioner had requested an opposition to a request for reconsideration. This suggestion has been adopted and an appropriate change has been made to the last sentence of § 1.644(g).

One comment suggested that the word "shall" in the last sentence of § 1.644(b) precludes the filing of an opposition beyond the 15-day period specified in the rules. According to the commentator, the opposition should also be considered timely if filed within "any appropriate extension." A party may move to extend the time for filing an opposition. See § 1.645.

One comment argued that § 1.644(a)(1) cannot "be squared with the statute as interpreted in *Myers v. Feigelman*, 455 F.2d 596, 172 USPQ 580 (CCPA 1972)." The rationale in support of the comment is the following:

I presume that the limitation in subparagraph (b) that a petition under subparagraph (a)(2) "shall not relate to . . . the merits of priority of invention or patentability or . . . the admissibility of evidence" is intended to avoid conflict with *Myers v. Feigelman*, 172 USPQ 580 (CCPA 1972), and its progeny. However, I read *Myers* as saying that, if the board has statutory authority to make a decision (including all the myriad of ancillary decisions that the panels and/or the single examiner-in-chief will be making under the new procedure), then the Commissioner does not have authority to review the board's or the single examiner-in-chief's decision. Or, to put it the other way around, if the Commissioner reviews an examiner-in-chief's decision, he is stepping into the shoes of the examiner-in-chief, and the Commissioner's decision is in turn reviewable by the panel (which is, of course, the only entity authorized to exercise the statutory jurisdiction of the board—see *Knickerbacker Toy Co. v. Faultless Starch Co.*, 175 USPQ 417 n.8 (CCPA 1972)). Thus, I don't see how proposed section 1.644(a)(1) can possibly be squared with the statute as interpreted in *Myers*.

It is true that the CCPA has stated that, "in performing his duties, the Commissioner cannot usurp the functions or impinge upon the jurisdiction of the Board . . . established by 35 U.S.C. 135." *In re Dickinson*, 299 F.2d 954, 958, 133 USPQ 39, 43 (CCPA 1962). See also *Myers v. Feigelman*, *supra*, 455 F.2d at 599 n. 8, 172 USPQ at 583 n. 8. However, it is also true that the

Commissioner "shall superintend or perform all duties required by law respecting the granting and issuing of patents . . ." 35 U.S.C. § 6; *Kingsland v. Carter Carburetor Corp.*, 83 U.S.App.D.C. 266, 168 F.2d 565, 77 USPQ 499 (D.C.Cir. 1948); *In re Staeger*, 189 USPQ 284, 285 n. 2 (Comm'r.Pat. 1974). The Commissioner, subject to approval of the Secretary of Commerce, establishes the procedure by which the examiners-in-chief and the Board will consider interference cases. 35 U.S.C. § 6. See also 35 U.S.C. § 23 relating to affidavits and depositions.

Under the rules, the Commissioner will not determine on petition either "priority of invention" or "patentability." See § 1.644(b). Likewise, the Commissioner will not consider whether evidence should have been admitted or excluded under the Federal Rules of Evidence. The PTO believes that the federal courts, which routinely rule on admissibility under the Federal Rules, are in a better position to determine whether the Board properly interpreted the Federal Rules of Evidence.

While the Commissioner will not decide "priority of invention" or "patentability" under 35 U.S.C. § 135(a), it does not follow that the Commissioner is precluded from interpreting PTO rules on procedural matters, including procedural matters related to the admissibility of evidence on some basis other than the Federal Rules of Evidence, e.g., whether a party has complied with a PTO rule such as § 1.671(e)(procedure for relying on affidavits) or § 1.671(g)(permission required for obtaining evidence by subpoena.)

Full consideration has been given to the comment. The PTO nevertheless believes that § 1.644(a)(1) is not inconsistent with law. Several comments concerning § 1.645 were received. One comment suggested that "to" be inserted in the first sentence of paragraph (a) before "file a notice of appeal" and "commence a civil action". According to the comment, "[t]he use of parallel infinitive verb forms provides greater clarity to the rule." The suggestion has been adopted.

Another commentator said the following:

"No good reason is seen to require a notarized oath from an attorney merely to explain why a paper was filed late, if there is no claim of substantive prejudice by other parties. Attorneys and examiners-in-chief should not be spending unnecessary time and effort on merely procedural formalities. That is contrary to the intent of the new rules."

The PTO agrees with the commentator and has deleted the language "accompanied by an affidavit" from § 1.645(b).

One comment suggested that a reference to § 1.610(d)(6) which provides for oral requests should be inserted into § 1.645 to reflect intent stated in the comments [of the notice of proposed rulemaking] on proposed § 1.645." This suggestion is not being adopted. As the commentator notes, § 1.610(d) authorizes an examiner-in-chief to hold a conference call to resolve issues and to enter an appropriate order following the conference call. A conference call may be used to obtain an extension of time. If the examiner-in-chief grants the request, an order may be entered—in which case a written motion is not necessary. The order provides the written record required by 37 CFR § 1.2. However, it would unduly lengthen the rules to insert a reference to § 1.610(d) in each rule to which it may be applicable. Section 1.645(a) specifies the procedure to be used when a written motion is filed. It should be noted that an examiner-in-chief may require a written motion notwithstanding a conference call.

One comment stated that "[t]he 'other business' may be more pressing than the interference. In order to serve the ends of justice, the PTO should be considerate in this matter." The PTO intends to evaluate each request for an extension of time on a case-by-case basis. However, extensions of time in interference cases have become "routine." A recent survey of a file in one interference revealed the following. The interference was declared on Mar. 30, 1976. Preliminary statements were filed on May 5, 1979. A decision on motions was entered on June 28, 1982. Testimony was filed on Jan. 3, 1984. During the period between declaration and filing of testimony, sixty-four (64) requests or stipulations for extension of time were filed.

When counsel and an examiner-in-chief agree to a schedule and times are set, the parties will be expected to adhere to the schedule unless there are unusual circumstances. Apart from work that counsel may have in an interference, an examiner-in-

chief will have a docket and must manage not only the interference involving counsel, but numerous other interferences. The U. S. Court of Appeals for the Federal Circuit recently said the following in *Rosemount, Inc. v. Beckman Instruments, Inc.*, 727 F.2d 1540, 1549-1550, 221 USPQ 1, 10 (Fed. Cir. 1984):

The conduct of a trial, granting of continuances and the like, is not, however, solely or entirely a matter of balancing conveniences of the parties. The Federal Rules of Civil Procedure recognize another consideration—the need for the exercise of discretion by the trial court in carrying out its duty of managing the judicial process, the business of the court, and the administration of justice.

Likewise, these rules also recognize the need for the exercise of discretion by an examiner-in-chief in carrying out his or her duty of managing the interference (§ 1.610), the business of the PTO (§ 1.610), and the administration of justice (§ 1.601).

Several comments were received which discussed § 1.646. One comment suggested that it would be clearer if "service" was inserted after "additional" in the last sentence of § 1.646(b). This suggestion has been adopted.

Another comment suggested that "or except as otherwise provided in these Rules" be added to § 1.646(c) after "otherwise ordered by an examiner-in-chief". The commentator pointed out that the change was needed because certain rules (§§ 1.644(g) and 1.658(b)) require service by "Express Mail" or by hand. The commentator accurately pointed out that adding the suggested phrase "will call attention to the fact that there are other rules which have their own requirements for service of papers." The suggestion has been adopted, except that "this part" has been used instead of "these Rules."

One comment suggested changing "time" to "date" in the last sentence of § 1.646(e). The suggestion has been adopted. The change is necessary to conform with the language of the rule to actual practice and other language in the rule.

Two comments suggested that § 1.646(d), which authorizes an examiner-in-chief to order service by hand or "Express Mail," be deleted. This suggestion is not being adopted. The use of "Express Mail" or delivery by hand is often desirable to expedite matters or to avoid unnecessary delay. One comment argued that delivery by hand may be prohibitive. Commercial couriers may be used to accomplish delivery by hand. The fee charged by most commercial couriers is not "prohibitive." The other comment argued that "there are circumstances when . . . [delivery by hand] is [not] possible." The use of § 1.646(d) is discretionary on the part of an examiner-in-chief. If delivery by hand, i.e., personal delivery or delivery by commercial courier, or by "Express Mail" is impossible, it would be expected that the examiner-in-chief would exercise discretion and permit service by first class mail.

One comment suggested that the language "present case," which was said to appear in § 1.651(b)(1) and § 1.651(c), be changed to "prepare case." The suggestion is not being adopted because the language "present case" does not appear in § 1.651. In any event, a testimony period is set for a party to present its testimony—either case-in-chief or case-in-rebuttal.

One comment was received which made two suggestions regarding § 1.652. First, the comment suggested that a period longer than 15 days be set for filing a response to a paper answering an order to show cause. This suggestion is not being adopted. The fifteen-day period is believed to be adequate in most cases. If more time is needed, a party may file a motion under § 1.645. Second, the comment suggested that the party placed under an order to show cause should be permitted as a matter of course to file a "reply" brief. This suggestion is not being adopted. In those instances where the Board believes a "reply" brief is desirable it may authorize the filing of a "reply."

One comment argued that § 1.653(i) "fails to make provision for exhibits which are too big to file or are too dangerous to file." If an "exhibit" cannot be filed, it will not be given consideration. A party will have to rely on testimony and/or pictures or sketches for "exhibits" (e.g., a large machine in a factory) which are too large or too dangerous to be filed in the PTO.

While no comments were received concerning § 1.654, it should be noted that a new paragraph (c) has been added and paragraph (c) as set out in the notice of proposed rulemaking has been redesignated as paragraph (d). New paragraph (c) provides

that a party shall not be entitled to argue that an opponent abandoned, suppressed, or concealed an actual reduction to practice unless a notice under § 1.632 was timely filed.

Two comments discussing § 1.655 were received. The first comment made the following statement regarding § 1.655(a):

Last sentence—interlocutory orders are reviewed only for "manifest error" etc. It is not clear whether this includes show cause orders under § 1.640 resulting from unpatentability determined under § 1.633(a). However, if so, it precludes proper review of the patentability determination.

Patentability will initially be determined by a single examiner-in-chief. See §§ 1.610(a) and 1.640(b). If the examiner-in-chief determines that a claim of a party is unpatentable to that party, an order to show cause why judgment should not be entered as to that claim will be issued to that party. See § 1.640(d). If a response to the order to show cause is filed, a decision will be entered by the Board. See §§ 1.610(a) and 1.640(e). If the Board determines that the claim is not patentable to the party, a final decision and judgment will be entered holding the claim to be unpatentable. Review of the final decision and judgment is by judicial review under 35 U.S.C. §§ 141 or 146. It should be noted, however, that if there are other claims in the party's application or patent which are deemed to be patentable, an interlocutory order would be entered holding only that certain claims are unpatentable. A final order holding those claims unpatentable would be entered after final hearing on other issues. Such a practice will avoid piecemeal judicial review.

Another comment suggested that § 1.655 be changed to preclude consideration of patentability at final hearing. Public Law 98-622 authorizes consideration of patentability assuming patentability is properly raised by a party during the interlocutory phase of an interference.

Two comments discussing § 1.656 were received. One comment suggested that "[b]riefs should be letter size for consistency." The PTO has no preference for the size of briefs. Briefs may be filed on letter or legal-size paper. Inasmuch as the federal courts now require letter-size paper, parties who intend to use a PTO brief as an exhibit in a federal court should use letter-size paper.

Another comment suggested that § 1.656 be amended to preclude a single examiner-in-chief from ruling on admissibility of evidence. The introductory remarks to the notice of proposed rulemaking (and this notice) state that "[t]he examiner-in-chief, where appropriate, will be available by phone to rule on the admissibility of evidence in the event parties encounter unusual problems during the taking of depositions" (emphasis added). The commentator states:

If an examiner-in-chief has ruled certain evidence inadmissible, that evidence would presumably not be before the Board at final hearing. Proposed Rule 1.656(h) provides a means for a party to obtain suppression of evidence to which he has made timely objection, but the Rule does not provide for any means for a party whose proffered evidence has been held inadmissible by the examiner-in-chief, to have that holding considered by the Board.

The change suggested by the comment will not be adopted. However, a brief explanation of how practice is expected to work is in order. The introductory remarks indicate that a single examiner-in-chief may rule on admissibility of evidence "where appropriate" and in "unusual" circumstances. There are times during interferences where a motion *in limine* can be helpful. For example, a junior party during its case-in-chief may wish to examine a witness on a document which was not served as required by § 1.673(b)(1). The senior party objects and realizes that if the junior party is permitted to examine the witness on the document, extensive cross-examination using numerous documents would be necessary. In order to avoid wasting considerable time, the parties could contact the examiner-in-chief by phone for a determination *in limine* on whether the junior party should be able to examine the witness on the document. Under the circumstances outlined the examiner-in-chief in his or her discretion could enter an order excluding the document from evidence. The order would be subject to a request for reconsideration. See § 1.640(c). Ordinarily, however, it would be ex-

pected that parties would present evidence subject to objection. See § 1.675(c), last sentence. It is not envisioned that a single examiner-in-chief will routinely rule on the admissibility of evidence.

Several comments discussing § 1.658 were received. One comment suggested that the 14-day time period in § 1.658(b) is too short. Section 1.658(b) provides that a party may file a request for reconsideration with 14 days of a final decision by the Board. The 14-day time period is the same period authorized for filing requests for reconsideration by the U. S. Court of Appeals for the Federal Circuit. See Rule 40(a) of the Federal Rules of Appellate Procedure.

Several individuals suggested that a less restricted "interference estoppel" be set out in § 1.658(c). While full consideration has been given to the suggestions, it has been decided to retain in these rules the interference estoppel provisions of § 1.658(c) essentially as proposed. "Interference estoppel" under § 1.658(c) is designed to implement the PTO's intent to have as many issues resolved as possible in a single *inter partes* proceeding. Numerous examples in this notice illustrate how practice is expected to take place under § 1.658(c).

The language in the second sentence of § 1.658(c) has been changed to more clearly state the nature of the estoppel and the exception to estoppel. The word "counts" in the second sentence of § 1.658(c) means the counts as they exist at the time a final decision is entered.

One comment was received concerning § 1.658(c) which requires a specific answer. The comment made the following statement:

You state that an estoppel would not apply against a party awarded a favorable judgment as to *all* counts. However, it seems to me that there will be occasion when it would not be appropriate to have estoppel where there was a split decision. For instance, consider an interference between applicants A and B in which A was awarded priority as to count 1 and B was awarded priority as to count 2. If I understand you correctly, A would be estopped in post-interference *ex parte* practice to present an additional claim X which was patentably indistinct from his claim corresponding to count 1 if B had support for claim X. I think this result would be unfortunate, and that A should be permitted to further refine his claim structure after the interference — that is, after he has been assured that he is entitled to claims to the basic invention recited in count 1. Under the circumstances described by the commentator, inventor A would *not* be estopped to present a claim to X because X is "patentably indistinct" (the proper terminology under the rules would be to say X is the "same patentable invention" as the subject matter of count 1) from the subject matter of count 1. Inventor A would be entitled to claim any disclosed invention which is directed to the "same patentable invention" as count 1. The change in the second sentence of § 1.658(c) more clearly reflects the PTO's intent in this regard. Inventor A would *not* be entitled to claim any invention which is the "same patentable invention" as the subject matter of lost count 2. See Examples 26, 27, and 28 for illustrations of interference estoppel practice when a "split" judgment is entered.

Two comments were received discussing § 1.659. One comment suggested that the first sentence of § 1.659(b) should "reflect" that a reexamination may be based only on patents and printed publications. The suggestion is not being adopted. The basis upon which a reexamination may be instituted are set out elsewhere in the statute and rules. 35 U.S.C. 301-306; 37 CFR 1.501-1.570. There is no further need to set that basis out again in § 1.659(b). Another comment suggested that the language "not involved in the judgment of the interference" be deleted from § 1.659(b). The rationale in support of the comment was as follows:

Besides introducing a potential ambiguity as to what claims were "involved in the judgment," there does not appear to be any good reasons to draw this distinction, particularly unless it is made more specific. Why should the Board be prevented from recommending reexamina-

tion of some (less relevant) patent claims and not other patent claims which are potentially even more relevant to the public, unless *all of the same art* has already been fully evaluated against the *same claims* in the Board's decision? (emphasis in original).

When a patent is involved in an interference, each claim of the patent will be designated to (1) correspond to a count or (2) not correspond to a count. All claims which are *ultimately* determined to correspond to a count will be "involved in the judgment of the interference." Inasmuch as they are involved in the judgment of the interference, there is no need to recommend reexamination of those claims. The claims involved in the interference are either patentable or unpatentable based on the final decision of the Board. Section 1.659(b) merely authorizes the Board to recommend reexamination of patent claims which (1) are *not* involved in the judgment and (2) for one reason or another neither party saw fit to move to designate as corresponding to a count.

One comment was received which suggested that the requirements of § 1.660 are unnecessary. The PTO disagrees. The requirements of § 1.660 are designed to keep the PTO and a party's opponent informed of activity which is relevant to an interference. These rules attempt, to the extent possible, to eliminate procedural surprise. Inasmuch as mail delays occur and the PTO cannot react instantaneously to every paper filed in connection with every application or patent, the provisions of § 1.660 are believed helpful in preventing surprise on the part of opponent's and unnecessary work by examiners-in-chief or the Board due to a lack of knowledge of relevant activity which may be taking place in the PTO.

One comment suggested that at the end of § 1.661 the following be added: "and the time for any such available appeal or review has expired." The suggestion is not being adopted. Section 1.661 already provides for finality when "no appeal . . . can be taken . . ." The language finds antecedent basis in 35 U.S.C. § 135(a).

Several comments discussing § 1.662 were received. Two comments suggested a change be made to provide that when a patentee files a statutory disclaimer under 35 U.S.C. § 253 and deletes *all* claims corresponding to a count, the disclaimer will be treated as a request for judgment. As one of the comments pointed out, "[s]ince . . . [the filing of a statutory disclaimer disclaiming all claims corresponding to a count] by the patentee could have no other conceivable effect, the proposed rule should be changed to require judgment when all corresponding claims are disclaimed." The suggestion has been adopted and appropriate changes have been made to § 1.662(c). In view of the changes, the following language in § 1.662(c), as proposed, is not necessary: "A statutory disclaimer of any claim involved in an interference shall in subsequent proceedings have the same effect with respect to the patentee as an adverse judgment." When a patentee disclaims less than all claims corresponding to a count; the claims which remain in the patent continue to be involved in the interference and any patentability or priority issues involving those remaining claims will be involved in the judgment on the merits in the interference.

Two comments suggested that the word "dissolved" in § 1.662(d) be changed to "terminated". This suggestion is being adopted, because § 1.662(d) has been deleted. However, all interferences will be terminated with a "judgment." A change has been made in the language of § 1.11(a) to delete any reference to terminating an interference other than by judgment.

One comment suggested that the word "construed" in § 1.662(a) be changed to "treated". This suggestion has been adopted and more clearly states the intent of the PTO. The filing of the various papers mentioned paragraphs (a) and (c) of § 1.662 will result in certain action by the PTO. The word "treated" more appropriately describes the consequences of filing such papers.

One comment suggested that § 1.662(a) "is too sweeping." According to the commentator, a patentee may file a disclaimer because it has "become aware of a statutory bar or can not afford the expense of an interference." If the patentee becomes aware of a statutory bar, the patentee should call the "bar" to the attention of the PTO or file an appropriate motion under § 1.633(a) for judgment if the "bar" applies to the opponent. If a junior party patentee decides that an interference is too expensive and for that reason files a disclaimer, there is no reason why

judgment should not be entered in favor of the opponent. The comment also suggested that § 1.662(c) "needs revision" because a patentee may disclaim one claim corresponding to a count, but not another. Section 1.662(c), as revised, takes into account the possibility that less than all claims corresponding to a count may be disclaimed. When some of the patent claims corresponding to a count are disclaimed, the interference proceeds on the basis of the remaining claims which correspond to the count. If all patent claims corresponding to a count are disclaimed, judgment will be entered.

One comment made the following statement regarding the third sentence of § 1.662(a):

What of abandonment in favor of a CIP [continuation-in-part application]? Would this be construed as [a] request to enter [an] adverse judgment? Language should reflect procedural moves of substituting CIP for abandoned application and/or declaring new interference.

The third sentence of § 1.662(a) does not apply to an application which is *not* involved in an interference. If an applicant files a continuation-in-part application and successfully moves (§ 1.633(d)) to substitute the continuation-in-part for the application involved in the interference, abandonment of the application originally involved in the interference would have no bearing on the interference. Accordingly, no additional language is needed in § 1.662(a).

Two comments discussing § 1.663 were received. One comment suggested that an explanation of the status of patent claims involved in an adverse judgment should be stated in the rule. This suggestion is not being adopted. The status of patent claims involved in an adverse judgment is stated in 35 U.S.C. § 135(a). Another comment suggested that the status of "claims which could have been counts . . . should be made of record." Unless a motion (§ 1.633(c)) to add claims to correspond to counts is filed, no reference will be made in a judgment as to claims "which could have been made counts."

One comment suggested that the language "then owned by either party but" be inserted after "application" in § 1.665. This suggestion is not being adopted. The language "same parties" in § 1.665 is intended to cover a party and any assignee. The suggested language "then owned" would narrow the scope of the rule in a manner not intended by the PTO.

An oral comment at the hearing suggested that § 1.671(e) be changed so that a party would not have to serve copies of affidavits relied upon under § 1.608(b) in those cases where an opponent had already obtained copies of the Rule 608(b) affidavits. This suggestion is not being adopted. See the discussion above answering comments related to § 1.612(b). Another comment made at the hearing noted that the PTO is "adopting" the Federal Rules of Evidence. The Federal Rules include a "shop book" rule—Rule 803(b)(6). The commentator expressed the view that adopting of a "shop book" rule might make an important change in evidence which is admissible in interferences and suggested that "it would be helpful if the Patent and Trademark Office would publicly comment on this extremely important evidentiary rule . . ." The PTO believes that adoption of Rule 803(b)(6) of the Federal Rules of Evidence does not constitute a change in the admissibility of "shop book" evidence in interference cases. Rule 803(b)(6) is very similar to the former Federal Shop Book Rule (28 U.S.C. § 1732) which it replaced. The courts have articulated a rule of law which the PTO will continue to apply in determining admissibility of laboratory note books under the "shop book" Rule 803(b)(6) of the Federal Rules of Evidence. See e.g., *Alpert v. Slatin*, 305 F.2d 891, 134 USPQ 296 (CCPA 1962) and *Elliott v. Barker*, 481 F.2d 1337, 179 USPQ 100 (CCPA 1973).

One comment suggested that § 1.671(f) be eliminated on the ground that a rule should not be used to train attorneys and agents. The suggestion is not being adopted. The problem addressed by § 1.671(f) is significant. By providing in the rules that documentary evidence must be explained the PTO hopes to save both parties and the Board considerable difficulty in presenting and evaluating evidence.

One comment suggested that § 1.671(g) should be changed to require a party only to show the "relevancy" of expected testimony as opposed to the "admissibility" of the testimony. This suggestion is being adopted and an appropriate change has been made to § 1.671(g) to require a moving party to "describe the

general nature and the relevance of the testimony, document, or thing."

An oral comment was received which asked whether permission to issue a subpoena would be needed in the event a party seeks to call a witness under the control of an opponent. Ordinarily, the examiner-in-chief can order a party to produce an individual for a deposition as long as the individual is a party or is under the control of the party, e.g., an employee of an assignee. Where so-called "third parties" are concerned, however, issuance of a subpoena may be necessary, because the PTO has no authority to compel attendance of third parties. Several comments concerning § 1.672 were received. One comment at the hearing pointed out that use of 8-1/2 by 11 inch paper for affidavits appears to be optional. The commentator is correct in pointing out that the use is optional. By using 8-1/2 by 11 inch paper, however, a party will save considerable time when filing a record (§ 1.653).

Two comments asked questions concerning § 1.672(b), and in particular, the meaning of the word "party" in the phrase "a party shall not be entitled to rely on any document or thing not mentioned in one or more of the affidavits..." Specifically, one commentator stated:

It is the scope of the words "the party" which leave doubt as to the meaning of the passage. If "the party" refers *only* to the party proffering the affidavit testimony, then the passage is fair since such party had the opportunity to use whatever documents it deemed favorable to its position. But if "the party" also encompasses the opponent, i.e., the cross-examining party not proffering the affidavit testimony, then the passage improperly restricts the scope of cross-examination. Surely, the proponent party cannot, simply by confining the affidavit to favorable documents, insulate the witness from cross-examination on unfavorable documents.

Section 1.672(b) refers to a "party" and an "opponent." The "party" is the party filing the affidavit and not an opponent of that party. Any "opponent" conducting cross-examination of an affiant may properly rely on documents and things not referred to in the affidavit.

One comment suggested that the language "a witness whose testimony will not be compelled under 35 U.S.C. 24" should be deleted or revised. According to the commentator:

This is often not determinable in advance. Even a "voluntary" witness may develop cold feet and require a subpoena, or demand one for his own protection. Nor will all witnesses agreeable to affidavits be agreeable to depositions.

The suggestion is not being adopted. An affidavit may be used only when a witness agrees to sign the affidavit. If an individual refuses to sign an affidavit or voluntarily appear at a deposition, the party calling the witness will have to compel attendance at a deposition by a subpoena under 35 U.S.C. § 24 after receiving permission from an examiner-in-chief.

One comment asked why there is "no express provision... [in the rules] for simply taking appropriate testimony of an adverse party by notice... rather than requiring a subpoena?" In many cases, notice will be sufficient inasmuch as an examiner-in-chief or the Board may generally order an adverse party to appear and give testimony. Thus, in many cases a subpoena is not needed to require attendance at a deposition of an adverse party.

Two comments suggested that a time be set out in the rules by which an affidavit should be filed. The suggestion is being adopted and the second sentence of § 1.672(b) has been changed to provide that affidavits shall be filed prior to the close of the party's relevant testimony period. The two comments also suggested that the rules specify that documents relied upon in an affidavit be filed with the affidavit. This suggestion is also being adopted by an appropriate change to § 1.672(b) which will provide that a party cannot rely on any document referred to in an affidavit unless a copy of the document is filed with the affidavit. Any document filed with an affidavit must also be served (§ 1.646). Section 1.672(b) will also provide that a party may not rely on any "thing" mentioned in an affidavit unless the opponent is given reasonable access to the "thing." A "thing" is something other than a document. The comments had suggested

that the "things" be limited to those under the possession, custody, or control of the party submitting the affidavit. This suggestion is not being adopted. If a "thing" is not under the possession, custody, or control of a party, the party should resort to the use of a deposition and compel production of the "thing" by a subpoena under 35 U.S.C. § 24.

Four comments were received discussing § 1.673. It was suggested that the time for service under § 1.673(b) be three days if service is accomplished by hand or "Express Mail" and ten days if service is accomplished by any other means. This suggestion is being adopted. An appropriate change has been made in the introductory sentence of § 1.673(b). It was also suggested that the word "copy" in § 1.673(b)(1) be changed to read "list and copy". In support of the suggestion, one commentator states:

In connection with the service of documents, the amendment to the proposed rule would require that a listing of documents accompany the documents themselves. This would permit cross-checking between lists and documents to ascertain whether or not discrepancies exist and reduce the possibility for later controversy.

The suggestion is being adopted. Under § 1.673(b)(1) a list of the documents would have to accompany the documents. One comment suggested that documents served should be "Bates numbered." While this suggestion is not being adopted in the sense of changing the language of a rule, it must be remembered that the party serving documents may be required to later prove exactly what was served. Using "Bates" numbers or an equivalent scheme may prove invaluable in later stages of an interference.

One comment discussing § 1.682 suggested that the language "not identified on the record during the taking of testimony of a witness" be deleted. This suggestion is not being adopted. If an official record or printed publication is made an exhibit during a deposition or in an affidavit, it need not be submitted under § 1.682. Section 1.682 permits a party to make an official record or printed publication part of the evidence being considered at final hearing without calling a witness. The official record or printed publication must, however, be self-authenticating. On the other hand, a party may present the official record or printed publication as an exhibit during testimony. When this latter course is followed, there is no need to take advantage of the provisions of § 1.682. The comment also suggested that a change be made in § 1.682(a)(4) because the requirement therein for a "certified" copy appeared to be inconsistent with § 1.671(d) which provides that a record of the PTO need not be certified. The suggestion is being adopted by adding "where appropriate" at the beginning of § 1.682(a)(4) and a reference to § 1.671(d) at the end of § 1.682(a)(4). If the official record is not a record of the PTO, it will be necessary to submit a certified copy of the official record.

Comments were received discussing § 1.684. One comment suggested that language be inserted in § 1.684(a) to make clear that the testimony authorized is for a case-in-chief or a case-in-rebuttal. The suggestion is not being adopted. The testimony authorized by § 1.684(a) is necessarily testimony for a case-in-chief or a case-in-rebuttal. The commentator correctly notes that the use of written interrogatories under § 1.684 "for cross-examination would seem neither appropriate or justified." Section 1.684 does not apply to cross-examination. If a party submits an affidavit under § 1.672(b) or intends to rely on an affidavit under § 1.617(e), the party must make the affiant available for cross-examination at a deposition. See § 1.673(e). A deposition may be noticed only "for a reasonable time and place in the United States." See § 1.673(a). Accordingly, it is not expected that § 1.684(a) will be used to cross-examine affiants residing in foreign countries. The party filing the affidavit will be required to make the affiant available for cross-examination in the United States.

One comment suggested that the provisions of § 1.685(d) are "harsher" than the corresponding provisions of 37 CFR § 1.285(c). The comment is not fully understood. Section 1.685(d) requires an objection to be stated on the record. An objection to the admissibility of evidence must be stated on the record *and* a motion under § 1.656(h) renewing the objection at final hearing must be filed. No longer will a party be permitted to attend a deposition and fail to enter an objection only to raise the objection at final hearing. The current practice permits a party to delay the objection until it is often too late to permit an opponent to

correct the evidentiary basis on which the objection is bottomed.

One comment suggested that the second sentence of § 1.687(b) ("If the witness refuses to produce a requested document or thing, the party may file a motion (§ 1.635) for additional discovery under paragraph (c) of this section.") be deleted. This suggestion is being adopted. The PTO agrees with the following remark by the commentator: "[o]mission of the sentence is recommended since it is clear from [paragraph] (c) [of § 1.687] that such a motion could be made in an appropriate case."

One comment at the hearing suggested that the PTO's inability to enter protective orders makes discovery unduly complicated. The commentator suggested that under § 1.687(c), as set out in the notice of proposed rulemaking, it is possible to obtain appropriate protective orders. The commentator correctly concedes that the maximum sanction which the PTO can enter upon a proven violation of a PTO entered protective order is judgment. See § 1.616. The commentator suggested, however, that additional discovery may be conditioned on the issuance of a subpoena *duces tecum* under 35 U.S.C. § 24. Upon issuance of the subpoena, the commentator stated that the opponent could move the district court for entry of a protective order. If a party violates a protective order entered by a district court, the party would be subject to such sanctions as the district court might deem appropriate as well as a sanction by the PTO, including entry of judgment against the party. The PTO, unlike the district court, would not be able to apply a sanction after an interference is terminated.

The commentator's suggestion is believed to be sound. No change in the language of § 1.687(b) is believed to be necessary inasmuch as paragraph (b) authorizes the PTO to "specify the terms of conditions of such additional discovery." One of those terms could be requiring a party to issue a subpoena under 35 U.S.C. § 24. By making a party proceed in the first instance in the PTO, appropriate PTO orders may be entered suggesting the scope of any protective order and stating the underlying basis for requiring a party to produce documents. The order could be of assistance to the district court in subsequent enforcement or contempt proceedings.

Additional discovery obtained under a protective order issued by either the PTO or a district court will not be admitted in

evidence in the PTO in determining the interference. All evidence submitted in an interference must be made available to the public under the provisions of § 1.11(a). Accordingly, any protective orders have to be vacated before a document could be admitted in evidence in the PTO which is subject to a protective order.

Example 38 illustrates how the practice would work.

Example 38: An interference involves party X and party Y. During the interference, party X files a motion for additional discovery under § 1.687(c) asking that party Y be required to produce certain documents. Party Y opposes on the sole ground that the documents contain trade secret and confidential information. Party Y indicates that it has no objection to producing the documents for inspection by counsel for party X, but insists that party X not be permitted to inspect the documents. Accordingly, party Y asks the examiner-in-chief to authorize the discovery subject to entry of a protective order. Party Y argues, however, that the sanctions of § 1.616 are not sufficient in the event of a violation of the protective order. An examiner-in-chief concludes that additional discovery should be ordered, that a protective order is appropriate, and that the sanctions of § 1.616 are not sufficient in the event of a violation of the protective order. Under the circumstances, the examiner-in-chief would enter an order directing party Y to produce the documents for inspection by counsel of party X on the condition that party X seek production of the documents by a subpoena *duces tecum* under 35 U.S.C. § 24. Upon issuance of any subpoena, party Y could move the district court for entry of a protective order. If the district court enters the protective order, party Y can produce the documents to counsel for party X. If the protective order of the examiner-in-chief is violated, an appropriate sanction up to and including judgment may be entered by the Board. In addition, party Y would be in a position to seek contempt or other sanctions in the district court. The documents produced for inspection by counsel for party X could not be admitted in evidence in the interference (until the protective order is vacated), because those documents are not documents which can be made available to the public under § 1.11(a).

The following is an anticipated time schedule for a two-party interference:

Event in Interference	Time from last event in the interference	Total time in interference
Interference declared (1.611)		
Filing of preliminary statements (1.621) and preliminary motions (1.633)	3 months	3 months
Filing oppositions to preliminary motions (1.638(a))	2/3 month	3-2/3 months
Filing replies to oppositions (1.638(b))	2/3 month	4-1/3 months
Decision on preliminary motions (1.640(b)(1)), open preliminary statements (1.631), set times for filing motions for discovery (1.687(c) and testimony (1.651(a))	1 month	5-1/3 months
Filing of motions for discovery (1.635, 1.651(a), 1.687(c))	1 month	6-1/3 months
Filing of opposition to motion for discovery (1.638(a))	2/3 months	7 months
Filing reply to opposition to motion for discovery (1.638(b))	2/3 months	7-2/3 months
Decision on motion for discovery	2/3 months	8-1/3 months
Time for compliance with any discovery	2/3 months	9 months
Junior party testimony (case-in-chief; 1.672(b)):		
Testimony	2 months	11 months
Senior party cross-examination of affiants if needed	1 month	12 months

Senior party testimony (case-in-chief and case-in-rebuttal, 1.672(b)):

Testimony	2 months	13-2/3 months
Junior party cross-examination of affiants if needed	1 month	14-2/3 months

Junior party testimony (case-in-rebuttal):

Testimony	2/3 month	16 months
Senior party cross-examination of affiants if needed	2/3 month	16-2/3 months

Filing of record (1.653(c))

1-1/3 months 18 months

Brief for junior party (1.656)

1 month 19 months

Brief for senior party (1.656)

1 month 20 months

Reply brief for junior party (1.656)

2/3 month 20-2/3 months

Final hearing (1.654)

1 month 21-2/3 months

Decision (1.658)

2 months 23-2/3 months

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§ 1.627	Preliminary statement, sealing before filing, opening of statement	§ 1.662	Request for entry of adverse judgment; reissue filed by patentee
§ 1.628	Preliminary statement, correction of error	§ 1.663	Status of claim of defeated applicant after interference
§ 1.629	Effect of preliminary statement	§ 1.664	Action after interference
§ 1.630	Reliance on earlier application	§ 1.665	Second interference
§ 1.631	Access to preliminary statement, service of preliminary statement	§ 1.666	Filing of interference settlement agreements
§ 1.632	Notice of intent to argue abandonment, suppression, or concealment by opponent	§ 1.671	Evidence must comply with rules
§ 1.633	Preliminary motions	§ 1.672	Manner of taking testimony
§ 1.634	Motion to correct inventorship	§ 1.673	Notice of examination of witness
		§ 1.674	Persons before whom depositions may be taken
		§ 1.675	Examination of witness, reading and signing transcript of deposition
		§ 1.676	Certification and filing by officer, marking exhibits
		§ 1.677	Form of a transcript of deposition
		§ 1.678	Transcript of deposition must be filed
		§ 1.679	Inspection of transcript
		§ 1.682	Official records and printed publications

§ 1.683	Testimony in another interference, proceeding, or action
§ 1.684	Testimony in a foreign country
§ 1.685	Errors and irregularities in depositions
§ 1.687	Additional Discovery
§ 1.688	Use of discovery

The following is a table correlating the present rules (37 CFR § 1.201 through § 1.288) to the rules (37 CFR §§ 1.601 through 1.688).

Rule Correlation Table

Old	New
1.201(a)	1.601(a)
1.201(b)	1.601(b), (c)
1.201(c)	1.602
1.202	none
1.203(a)	1.603(a), (b)
1.203(b)	1.605(a)
1.203(c)	1.605(b)
new	1.604(a)
1.203(d)	1.604(b)
1.204(a)	none
1.204(b)	1.608(b)
1.204(c)	1.608(c)
1.205(a)	1.606(a), (b)
1.205(b)	1.607(a), (c)
1.205(c)	1.607(d)
new	1.608(a)
1.206(a)	1.607(b)
1.207(a)	1.609
new	1.610
1.207(b)	1.611
1.208	1.613
1.211	1.614
1.212	1.615
new	1.616
1.228	1.617
new	1.618
1.215(a)	1.621(a)
1.215(b)	1.621(b)
1.215(c)	1.629(c)
1.216(a)	1.622(a), (b)
1.216(a)(1)-(6)	1.623(a)
1.216(b)	1.623(b), 1.624(b), 1.625(b)
	1.666
1.216(c)	1.624(a), 1.625(a)
1.217(a)	1.623(a)
1.217(b)	1.621(a)
1.218	1.627
1.219	1.628
1.222	1.629
1.223	1.630
1.224	1.640(d), (e), and 1.651(c)(4)
1.225	1.612
1.226	1.631
1.227	1.632
new	1.633, 1.634
1.231	1.641
1.237	1.642
1.238	1.643
1.242	1.635, 1.636, 1.637(b) 1.638 through 1.640
1.243	1.644
1.244	1.645
1.245	1.645
1.246	1.646
1.247	1.646
1.248	1.646
new	1.647
1.251	1.651
1.252	1.652
1.253	1.653
1.254	1.656
1.255	1.656(c)

1.256	1.654
1.257(a)	1.657
1.257(b)	1.658(c), (d)
1.258	1.655
1.259	1.659
new	1.660
1.262	1.662(a)
1.263	1.662(a) and (d)
1.264	1.662(b) and (c)
new	1.662(e)
1.265	1.663
1.266	1.664
1.267	1.665
1.268	1.666
1.271	1.671
new	1.671(g)
1.272(a)	1.672(a), (b)
1.272(b)	1.672(c)
1.272(c)	1.672(d), (e)
1.273(a)	1.673(a), (c), (d), 1.673(e)
new	1.673(f)
1.273(b)	1.674
1.274	1.675
1.275	1.676
1.276	1.677
1.277	1.678
1.278	1.679
1.279	1.645
1.281	1.682
1.282	1.683
1.283	1.685
1.285	eliminated
1.286	1.673(b)
1.287(a)(1)(i),(ii)	1.673(a)
1.287(a)(1)(iii)	eliminated
1.287(a)(2),(3)	eliminated
1.287(b)	1.687
1.287(c)	1.673(c)
1.287(d)(1)	1.616
1.287(d)(2)	1.687(d)
1.287(e)	1.688
1.288	

Other Considerations: These rules do not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rules are in conformity with the requirements of the (1) Regulatory Flexibility Act (Pub. L. 96-354), (2) Executive Order 12291, and (3) the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Small Business Administration that these rules will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act; Public Law 96-354). The rules govern the conduct of interference cases which arise in the Patent and Trademark Office. In fiscal 1983, the Patent and Trademark Office received 105,704 patent applications. During the same period, 180 interferences were declared. It is expected that the overall cost will be reduced for obtaining a patent based on application which become involved in an interference. See a "section-by-section" analysis submitted for the Record by Representative Kastenmeier during discussion of H. R. 6286 on the floor of the House in which the following statement appears (130 Cong. Rec. H10528, columns 2 and 3):

it is expected that interferences will become simpler, more expeditious, and less costly. Under the bill, all issues of patentability and priority which arise in an interference can be decided in a single proceeding rather than in a series of complicated *inter partes* and *ex parte* proceedings.

These rules, therefore, will have no significant economic impact on small entities.

The Patent and Trademark Office has determined that this rule is not a major rule under Executive Order 12291. The annual effect on the economy would be less than \$100 million. There would be no major increase in costs or prices for consumers,

individual industries, federal state, or local government agencies, or geographic regions. There would be no adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

These rules do not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., since no record keeping or reporting requirements within the coverage of the Act are placed upon the public.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations, Conflict of interests, Courts, Inventions and patents, Lawyers.

PART 1 — RULES OF PRACTICE IN PATENT CASES

For the reasons set out in the preamble and under the authority given to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, 23, 41, and 135, Part 1 of Title CFR is amended as set forth below.

1. Section 1.1 is amended by adding a new paragraph (e) to read as follows:

§ 1.1 All communications to be addressed to Commissioner of Patents and Trademarks.

(e) Communications relating to interferences and applications or patents involved in an interference should be additionally marked "BOX INTERFERENCE."

2. Section 1.4 is amended by revising paragraph (a)(2) and reprinting the introductory text of paragraph (a) to read as follows:

§ 1.4 Nature of correspondence.

(a) Correspondence with the Patent and Trademark Office comprises:

(2) correspondence in and relating to a particular application or other proceeding in the Office. See particularly the rules relating to the filing, processing, or other proceedings of national applications in Subpart B, §§ 1.31 to 1.352; of international applications in Subpart C, §§ 1.401 to 1.482; of reexamination of patents in Subpart D, §§ 1.501 to 1.570; of interferences in Subpart E, §§ 1.601 to 1.688; and of trademark applications §§ 2.11 to 2.189.

3. Section 1.5 is amended by adding a new paragraph (e) to read as follows:

§ 1.5 Identification of application, patent or registration

(e) When a paper concerns an interference, it should state the names of the parties and the number of the interference. The name of the examiner-in-chief assigned to the interference (§ 1.610) and the name of the party filing the paper should appear conspicuously on the first page of the paper.

4. Section 1.8 is amended by adding to paragraph (a) a new subparagraph (xii) to read as follows:

§ 1.8 Certificate of mailing.

(xii) The filing of a paper in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail."

5. Section 1.9 is amended by adding a new paragraph (g) to read as follows:

§ 1.9 Definitions.

(g) For definitions in interferences see § 1.601.

6. Section 1.11 is amended by revising paragraph (a) to read as follows:

§ 1.11 Files open to the public.

(a) After a patent has been issued, the specification, drawings and all papers relating to the case in the file of the patent are open to inspection by the general public, and copies may be obtained upon paying the fee therefor. After entry of a judgment in an interference by the Board of Patent Appeals and Interferences as to all parties, the file of any interference which involved a patent, or an application on which a patent has issued, is similarly open to public inspection and procurement of copies. See § 2.27 for trademark files.

7. Section 1.14 is amended by removing from paragraph (d) the words "Board of Patent Appeals or the Board of Patent Interferences" and inserting, in their place, the words "Board of Patent Appeals and Interferences."

8. Section 1.17 is amended by revising paragraphs (e), (g), (h), and (l) to read as follows:

§ 1.17 Patent application processing fees.

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:

By a small entity (§ 1.9(f))..... \$57.50
By other than a small entity..... 115.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. § 134:

By a small entity (§ 1.9(f)) \$50.00
By other than a small entity..... 100.00

(h) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph. \$120.00

—§ 1.47—for filing by other than all the inventors or a person not the inventor

—§ 1.48—for correction of inventorship

—§ 1.1—for decision on questions not specifically provided for

—§ 1.183—to suspend the rules

—§ 1.377—for review of decision refusing to accept and record payment of a maintenance fee filed prior to expiration of patent

—§ 1.37(e)—for reconsideration of decision on petition refusing to accept delayed payment of maintenance fee in expired patent

—§ 1.644(e)—for petition in an interference

—§ 1.644(f)—for request for reconsideration of a decision on petition in an interference.

—§ 1.666(c)—for late filing of interference settlement agreement.

—§§ 5.12, 5.13 & 5.14—for expedited handling of foreign filing license

—§ 5.15—for changing the scope of a license

—§ 5.25—for retroactive license

(i) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph. \$ 60.00

- § 1.12—for access to an assignment record
- § 1.14—for access to an application
- § 1.5—for entry of late priority papers
- § 1.102—to make application special
- § 1.103—to suspend action in application
- § 1.177—for divisional reissues to issue separately
- § 1.312—for amendment after payment of issue fee
- § 1.313—to withdraw an application from issue
- § 1.314—to defer issuance of a patent
- § 1.334—for patent to issue to assignee, assignment recorded late
- § 1.666(b)—for access to interference settlement agreement

9. Section 1.36 is revised as follows:

§ 1.36 Revocation of power of attorney or authorization; withdrawal of attorney or agent.

A power of attorney or authorization of agent may be revoked at any stage in the proceedings of a case, and an attorney or agent may withdraw, upon application to and approval by the Commissioner. An attorney or agent, except an associate attorney or agent whose address is the same as that of the principal attorney or agent, will be notified of the revocation of the power of attorney or authorization, and the applicant or patent owner will be notified of the withdrawal of the attorney or agent. An assignment will not of itself operate as a revocation of a power or authorization previously given, but the assignee of the entire interest may revoke previous powers and be represented by an attorney or agent of the assignee's own selection. See § 1.613(d) for withdrawal of an attorney or agent of record in an interference.

10. Section 1.48 is revised as follows:

§ 1.48 Correction of inventorship.

If the correct inventor or inventors are not named in an application for patent through error without any deceptive intention on the part of the actual inventor or inventors, the application may be amended to name only the actual inventor or inventors. Such amendment must be diligently made and must be accompanied by (a) a petition including a statement of facts verified by the original named inventor or inventors establishing when the error without deceptive intention was discovered and how it occurred; (b) an oath or declaration by each actual inventor or inventors as required by § 1.63; (c) the fee set forth in § 1.17(h); and (d) the written consent of any assignee. When the application is involved in an interference, the petition shall comply with the requirements of this section and shall be accompanied by a motion under § 1.634.

11. Section 1.55 is amended by removing from paragraph (a) "1.224" and inserting, in its place, "1.630".

12. Section 1.59 is revised as follows:

§ 1.59 Papers of application with filing date not to be returned.

Papers in an application which has received a filing date pursuant to § 1.53 will not be returned for any purpose whatever. If applicants have not preserved copies of the papers, the Office will furnish copies at the usual cost of any application in which either the required basic filing fee (§ 1.16) or the processing and retention fee (§ 1.21(1)) has been paid. See § 1.618 for return of unauthorized and improper papers in interferences.

13. Section 1.68 is revised as follows:

§ 1.68 Declaration in lieu of oath.

Any document to be filed in the Patent and Trademark Office and which is required by any law, rule, or other regulation to be

under oath may be subscribed to by a written declaration. Such declaration may be used in lieu of the oath otherwise required, if, and only if, the declarant is on the same document, warned that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. 1001) and may jeopardize the validity of the application or any patent issuing thereon. The declarant must set forth in the body of the declaration that all statements made of the declarant's own knowledge are true and that all statements made on information and belief are believed to be true.

14. Section 1.103 is amended by revising paragraph (d) as follows:

§ 1.103 Suspension of action.

(d) Action on applications in which the Office has accepted a request filed under § 1.139 will be suspended for the entire pendency of these applications except for purposes relating to interference proceedings under §§ 1.601 through 1.688.

15. Section 1.122 is amended by revising paragraph (b) as follows:

§ 1.122 Entry and consideration of amendments.

(b) Ordinarily all amendments presented in a paper filed while the application is open to amendment are entered and considered, subsequent cancellation or correction being required of improper amendments. Untimely amendatory papers may be refused entry and consideration in whole or in part. For amendments presented during an interference see § 1.664.

16. Section 1.136 is amended by removing "§ 1.207" and inserting, in its place, "§ 1.611" and by removing "§ 1.245" and inserting, in its place, "§ 1.645".

17. Section 1.138 is revised as follows:

§ 1.138 Express Abandonment.

An application may be expressly abandoned by filing in the Patent and Trademark Office a written declaration of abandonment signed by the applicant and the assignee of record, if any, and identifying the application. An application may also be expressly abandoned by filing a written declaration of abandonment signed by the attorney or agent of record. A registered attorney or agent acting under the provision of § 1.34(a) or of record, may also expressly abandon a prior application as of the filing date granted to a continuing application when filing such a continuing application. Express abandonment of the application may not be recognized by the Office unless it is actually received by appropriate officials in time to act thereon before the date of issue.

18. Section 1.181 is amended by revising paragraph (a) as follows:

§ 1.181 Petition to the Commissioner.

(a) Petition may be taken to the Commissioner: (1) from any action or requirement of any examiner in the *ex parte* prosecution of an application which is not subject to appeal to the Board of Patent Appeals and Interferences or to the court; (2) in cases in which a statute or the rules specify that the matter is to be determined directly by or reviewed by the Commissioner; and (3) to invoke the supervisory authority of the Commissioner in appropriate circumstances. For petitions in interferences, see § 1.644.

19. The center heading preceding § 1.191 is revised to read "APPEAL TO THE BOARD OF PATENT APPEALS AND INTERFERENCES".

20. Section 1.191 is amended by revising the section heading and paragraphs (a) and (c) as follows:

§ 1.191 Appeal to Board of Patent Appeals and Interferences.

(a) Every applicant for a patent or for reissue of a patent, or every owner of a patent under reexamination, any of the claims of which have been twice rejected or who has been given a final rejection (§ 1.113), may, upon the payment of the fee set forth in § 1.17(e), appeal from the decision of the examiner to the Board of Patent Appeals and Interferences within the time allowed for response.

(c) An appeal when taken must be taken from the rejection of all claims under rejection which the applicant or patent owner proposes to contest. Questions relating to matters not affecting the merits of the invention may be required to be settled before an appeal can be considered.

21. Section 1.194 is amended by removing the words "Board of Appeals" and inserting, in their place, the words "Board of Patent Appeals and Interferences."

22. Section 1.196 is revised as follows:

§ 1.196 Decision by the Board of Patent Appeals and Interferences.

(a) The Board of Patent Appeals and Interferences, in its decision, may affirm or reverse the decision of the examiner in whole or in part on the grounds and on the claims specified by the examiner. The affirmation of the rejection of a claim on any of the grounds specified constitutes a general affirmation of the decision of the examiner on that claim, except as to any ground specifically reversed.

(b) Should the Board of Patent Appeals and Interferences have knowledge of any grounds not involved in the appeal for rejecting any appealed claim, it may include in the decision a statement to that effect with its reasons for so holding, which statement shall constitute a new rejection of the claims. When the Board of Patent Appeals and Interferences makes a new rejection of an appealed claim, the appellant may exercise any one of the following three options:

(1) The appellant may submit an appropriate amendment of the claims so rejected or a showing of facts, or both, and have the matter reconsidered by the examiner in which event the application will be remanded to the examiner and the decision of the Board of Patent Appeals and Interferences shall not be considered final for the purpose of judicial review. The statement shall be binding upon the examiner unless an amendment or showing of facts not previously of record be made which, in the opinion of the examiner, overcomes the new ground for rejection stated in the decision. When appropriate, upon conclusion of proceedings on remand before the examiner, the Board of Patent Appeals and Interferences may enter an order otherwise making its decision final.

(2) The appellant may have the case reconsidered under § 1.197(b) by the Board of Patent Appeals and Interferences upon the same record. Where request for such reconsideration is made the Board of Patent Appeals and Interferences shall, if necessary, render a new decision which shall include all grounds upon which a patent is refused.

(3) The appellant may treat the decision, including the new grounds for rejection given by the Board of Patent Appeals and Interferences, as a final decision in the case.

(c) Should the decision of the Board of Patent Appeals and Interferences include an explicit statement that a claim may be allowed in amended form, appellant shall have the right to amend in conformity with such statement which shall be binding on the examiner in the absence of new references or grounds of rejection.

(d) Although the Board of Patent Appeals and Interferences normally will confine its decision to a review of rejections made

by the examiner, should it have knowledge of any grounds for rejecting any allowed claim it may include in its decision a recommended rejection of the claim and remand the case to the examiner. In such event, the Board shall set a period, not less than one month, within which the appellant may submit to the examiner an appropriate amendment, a showing of facts or reasons, or both, in order to avoid the grounds set forth in the recommendation of the Board of Patent Appeals and Interferences. The examiner shall be bound by the recommendation and shall enter and maintain the recommended rejection unless an amendment or showing of facts not previously of record is filed which, in the opinion of the examiner, overcomes the recommended rejection. Should the examiner make the recommended rejection final the applicant may again appeal to the Board of Patent Appeals and Interferences. Whenever a decision of the Board of Patent Appeals and Interferences includes a remand, that decision shall not be considered a final decision. When appropriate, upon conclusion of proceedings on remand before the examiner, the Board of Patent Appeals and Interferences may enter an order otherwise making its decision final.

23. Section 1.197 is amended by revising paragraphs (a) and (b) as follows:

§ 1.197 Action following decision.

(a) After decision by the Board of Patent Appeals and Interferences, the case shall be returned to the examiner, subject to the appellant's right of appeal or other review, for such further action by the appellant or by the examiner, as the condition of the case may require, to carry into effect the decision.

(b) A single request for reconsideration or modification of the decision may be made if filed within one month from the date of the original decision, unless that decision is so modified as to become, in effect, a new decision, and the Board of Patent Appeals and Interferences so states.

24. Section 1.198 is amended by removing the words "Board of Appeals" and inserting, in their place, the words "Board of Patent Appeals and Interferences."

25. The center heading preceding § 1.201 is removed.

26. Sections 1.201 through 1.212 are removed.

27. The center heading preceding § 1.215 is removed.

28. Sections 1.215 through 1.228 are removed.

29. The center heading preceding § 1.231 is removed.

30. Sections 1.231 through 1.238 are removed.

31. The center heading preceding § 1.242 is removed.

32. Sections 1.242 through 1.247 are removed.

33. A center heading preceding § 1.248 is added which reads "MISCELLANEOUS PROVISIONS".

34. Section 1.248 is amended by adding paragraph (c) and revising the section heading as follows:

§ 1.248 Service of Papers; manner of service; proof of service in cases other than interferences

(c) See § 1.646 for service of papers in interferences.

35. The center heading preceding § 1.251 is removed.

36. Sections 1.251 through 1.259 are removed.

37. The center heading preceding § 1.261 is removed.

38. Sections 1.261 through 1.268 are removed.

39. The center heading preceding § 1.271 is removed.

40. Sections 1.271 through 1.288 are removed.

41. Section 1.292 is amended by revising paragraph (a) and adding paragraph (c) as follows:

§ 1.292 Public use proceedings.

(a) When a petition for the institution of public use proceedings, supported by affidavits or declarations and the fee set forth in § 1.17(j) is filed by one having information of the pendency of an application and is found, on reference to the examiner, to make a *prima facie* showing that the invention claimed in an application believed to be on file had been in public use or on sale more than one year before the filing of the application, a hearing may be had before the Commissioner to determine whether a public use proceeding should be instituted. If instituted, the

Commissioner may designate an appropriate official to conduct the public use proceeding, including the setting of times for taking testimony, which shall be taken as provided by §§ 1.671 through 1.685. The petitioner will be heard in the proceedings but after decision therein will not be heard further in the prosecution of the application for patent.

(c) A petition for institution of public use proceedings shall not be filed by a party to an interference as to an application involved in the interference. Public use and on sale issues in an interference shall be raised by a preliminary motion under § 1.633(a).

42. Section 1.301 is amended by removing the words "Board of Appeals" and the words "Board of Patent Interferences" and inserting, in each of their places, the words "Board of Patent Appeals and Interferences."

43. Section 1.302 is amended by removing from paragraph (b) "1.248" and inserting, in its place, "1.646" and by removing "and other contested cases".

44. Section 1.303 is amended by removing from paragraph (a) the words "Board of Appeals" and the words "Board of Patent Interferences" and inserting, in each of their places, the words "Board of Patent Appeals and Interferences" and by removing from paragraph (c) "1.248" and inserting, in its place, "1.646".

45. Section 1.304 is amended by revising paragraph (a) as follows:

§ 1.304 Time for appeal or civil action.

(a) The time for filing the notice and reasons of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is sixty days from the date of the decision of the Board of Patent Appeals and Interferences. If a request for reconsideration or modification of the decision is filed within the time provided under § 1.197(b) or § 1.658(b), the time for filing an appeal or commencing a civil action shall expire at the end of the sixty-day period or thirty days after action on the request, whichever is later. Except for an appeal from or commencing a civil action after a decision of the Board of Patent Appeals and Interferences in a reexamination proceeding or an interference proceeding, the time periods set forth herein are subject to the provisions of § 1.136. See § 1.550(c) for extensions of time to appeal or commence a civil action in a reexamination proceeding. See § 1.645(a) for extensions of time to appeal or commence a civil action in an interference. An examiner-in-chief, upon a showing of excusable neglect, may extend the time for seeking judicial review of a decision of the Board of Patent Appeals and Interferences in an interference case when a request is untimely filed after expiration of the time prescribed by this section.

46. Section 1.322 is amended by revising paragraph (a) as follows:

§ 1.322 Certificate of correction of Office mistake.

(a) A certificate of correction under 35 U.S.C. 254 may be issued at the request of the patentee or the patentee's assignee. Such certificate will not be issued at the request or suggestion of anyone not owning an interest in the patent, nor on motion of the Office, without first notifying the patentee (including any assignee of record) and affording the patentee an opportunity to be heard. When the request relates to a patent involved in an interference, the request shall comply with the requirements of this section and shall be accompanied by a motion under § 1.635.

47. Section 1.323 is revised as follows:

§ 1.323 Certificate of correction of applicant's mistake.

Whenever a mistake of a clerical or typographical nature or of minor character which was not the fault of the Office, appears in

a patent and a showing is made that such mistake occurred in good faith, the Commissioner may, upon payment of the fee set forth in § 1.20(a), issue a certificate, if the correction does not involve such changes in the patent as would constitute new matter or would require reexamination. A request for a certificate of correction of a patent involved in an interference shall comply with the requirements of this section and shall be accompanied by a motion under § 1.635.

48. Section 1.324 is revised as follows:

§ 1.324 Correction of inventorship in patent.

Whenever a patent is issued and it appears that the correct inventor or inventors were not named through error without deceptive intention on the part of the actual inventor or inventors, the Commissioner may, on petition of all the parties and the assignees and satisfactory proof of the facts and payment of the fee set forth in § 1.20(b), or on order of a court before which such matter is called in question, issue a certificate naming only the actual inventor or inventors. A request to correct inventorship of patent involved in an interference shall comply with the requirements of this section and shall be accompanied by a motion under § 1.634.

49. Section 1550 is amended by removing from paragraph (a) "Board of Appeals" and inserting, in its place, "Board of Patent Appeals and Interferences."

50. Section 1.565 is amended by revising paragraph (b) and adding paragraph (e) as follows:

§ 1.565 Concurrent office proceedings.

(b) If a patent in the process of reexamination is or becomes involved in litigation or a reissue application for the patent is filed or pending, the Commissioner shall determine whether or not to stay the reexamination or reissue proceeding.

(e) If a patent in the process of reexamination is or becomes involved in an interference, the Commissioner may stay reexamination or the interference. The Commissioner will not consider a request to stay an interference unless a motion (§ 1.635) to stay the interference has been presented to, and denied by, an examiner-in-chief and the request is filed within ten (10) days of a decision by an examiner-in-chief denying the motion for a stay or such other time as the examiner-in-chief may set.

51. A new subpart entitled "Subpart E—Interferences" is added which reads as follows:

SUBPART E—Interferences

Sec.

- 1.601 Scope of rules, definitions
- 1.602 Interest in applications and patents involved in interference
- 1.603 Interference between applications; subject matter of the interference
- 1.604 Request for interference between applications by an applicant
- 1.605 Suggestion of claim to applicant by examiner
- 1.606 Interference between an application and a patent; subject matter of the interference
- 1.607 Request by applicant for interference with patent
- 1.608 Interference between an application and a patent; *prima facie* showing by applicant
- 1.609 Preparation of interference papers by examiner
- 1.610 Assignment of interference to examiner-in-chief, time period for completing interference
- 1.611 Declaration of interference
- 1.612 Access to applications
- 1.613 Lead attorney, same attorney representing different parties in an interference, withdrawal of attorney or agent

1.614 Jurisdiction over interference
 1.615 Suspension of ex parte prosecution
 1.616 Sanctions for failure to comply with rules or order
 1.617 Summary judgment against applicant
 1.618 Return of unauthorized papers
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SUBPART E—Interferences

§ 1.601 Scope of rules, definitions.

This subpart governs the procedure in patent interferences in the Patent and Trademark Office. This subpart shall be construed to secure the just, speedy, and inexpensive determination of every interference. For the meaning of terms in the Federal Rules of Evidence as applied to interferences, see § 1.671(c). Unless otherwise clear from the context, the following definitions apply to this subpart:

(a) "Additional discovery" is discovery to which a party may be entitled under § 1.687 in addition to discovery to which the party is entitled as a matter of right under § 1.673(a) and (b).

(b) "Affidavit" means affidavit, declaration under § 1.68, or statutory declaration under 28 U.S.C. § 1746. A transcript of an *ex parte* deposition may be used as an affidavit.

(c) "Board" means the Board of Patent Appeals and Interferences.

(d) "Case-in-chief" means that portion of a party's case where the party has the burden of going forward with evidence.

(e) "Case-in-rebuttal" means that portion of a party's case where the party presents evidence in rebuttal to the case-in-chief of another party.

(f) A "count" defines the interfering subject matter between (1) two or more applications or (2) one or more applications and one or more patents. When there is more than one count, each count shall define a separate patentable invention. Any claim of an application or patent which corresponds to a count is a claim involved in the interference within the meaning of 35 U.S.C. § 135(a). A claim of a patent or application which is identical to a count is said to "correspond exactly" to the count. A claim of a patent or application which is not identical to a count, but which defines the same patentable invention as the count, is said to "correspond substantially" to the count. When a count is broader in scope than all claims which correspond to the count, the count is a "phantom count." A phantom count is not patentable to any party.

(g) The "effective filing date" of an application or a patent is the filing date of an earlier application accorded to the application or patent under 35 U.S.C. §§ 119, 120, or 365.

(h) In the case of an application, "filing date" means the filing date assigned to the application. In the case of a patent, "filing date" means the filing date assigned to the application which issued as the patent.

(i) An "interference" is a proceeding instituted in the Patent and Trademark Office before the Board to determine any question of patentability and priority of invention between two or more parties claiming the same patentable invention. An interference may be declared between two or more pending applications naming different inventors when, in the opinion of an examiner, the applications contain claims for the same patentable invention. An interference may be declared between one or more pending applications and one or more unexpired patents naming different inventors when, in the opinion of an examiner, any application and any unexpired patents contain claims for the same patentable invention.

(j) An "interference-in-fact" exists when at least one claim of a party which corresponds to a count and at least one claim of an opponent which corresponds to the count define the same patentable invention.

(k) A "lead" attorney or agent is a registered attorney or agent of record who is primarily responsible for prosecuting an interference on behalf of a party and is the attorney or agent whom an examiner-in-chief may contact to set times and take other action in the interference.

(1) A "party" is (1) an applicant or patentee involved in the interference or (2) a legal representative or an assignee of an

applicant or patentee involved in an interference. Where acts of a party are normally performed by an attorney or agent, "party" may be construed to mean the attorney or agent. An "inventor" is the individual named as inventor in an application involved in an interference or the individual named as inventor in a patent involved in an interference.

(m) A "senior party" is the party with earliest effective filing date as to all counts or, if there is no party with the earliest effective filing date as to all counts, the party with the earliest filing date. A "junior party" is any other party.

(n) Invention "A" is the "same patentable invention" as a invention "B" when invention "A" is the same as (35 U.S.C. § 102) or is obvious (35 U.S.C. § 103) in view of invention "B" assuming invention "B" is prior art with respect to invention "A". Invention "A" is a "separate patentable invention" with respect to invention "B" when invention "A" is new (35 U.S.C. § 102) and nonobvious (35 U.S.C. § 103) in view of invention "B" assuming invention "B" is prior art with respect to invention "A".

(o) "Sworn" means sworn or affirmed.

(p) "United States" means the United States of America, its territories and possessions.

§ 1.602 Interest in applications and patents involved in an interference.

(a) Unless good cause is shown, an interference shall not be declared or continued between (1) applications owned by a single party or (2) applications and an unexpired patent owned by a single party.

(b) The parties, within 20 days after an interference is declared, shall notify the Board of any and all right, title, and interest in any application or patent involved or relied upon in the interference unless the right, title, and interest is set forth in the notice declaring the interference.

(c) If a change of any right, title, and interest in any application or patent involved or relied upon in the interference occurs after notice is given declaring the interference and before the time expires for seeking judicial review of a final decision of the Board, the parties shall notify the Board of the change within 20 days of the change.

§ 1.603 Interference between applications; subject matter of the interference.

Before an interference is declared between two or more applications, the examiner must be of the opinion that there is interfering subject matter claimed in the applications which is patentable to each applicant subject to a judgment in the interference. The interfering subject matter shall be defined by one or more counts. Each count shall define a separate patentable invention. Each application must contain, or be amended to contain, at least one claim which corresponds to each count. All claims in the applications which define the same patentable invention as a count shall be designated to correspond to the count.

§ 1.604 Request for interference between applications by an applicant.

(a) An applicant may seek to have an interference declared with an application of another by (1) suggesting a proposed count and presenting a claim corresponding to the proposed count, (2) identifying the other application and, if known, a claim in the other application which corresponds to the proposed count, and (3) explaining why an interference should be declared.

(b) When an applicant presents a claim known to the applicant to define the same patentable invention claimed in a pending application of another, the applicant shall identify that pending application, unless the claim is presented in response to a suggestion by the examiner. The examiner shall notify the Commissioner of any instance where it appears an applicant may have failed to comply with the provisions of this paragraph.

§ 1.605 Suggestion of claim to applicant by examiner.

(a) The examiner may suggest that an applicant present a claim in an application for the purpose of an interference with another application or a patent. The applicant to whom the claim is suggested shall amend the application by presenting the

suggested claim within a time specified by the examiner, not less than one month. Failure or refusal of an applicant to timely present the suggested claim shall be taken without further action as a disclaimer by the applicant of the invention defined by the suggested claim. At the time the suggested claim is presented, the applicant may also (1) call the examiner's attention to other claims already in the application or which are presented with the suggested claim and (2) explain why the other claims would be more appropriate to be included in any interference which may be declared.

(b) The suggestion of a claim by the examiner for the purpose of an interference will not stay the period for response to any outstanding Office action. When a suggested claim is timely presented, *ex parte* proceedings in the application will be stayed pending a determination of whether an interference will be declared.

§ 1.606 Interference between an application and a patent; subject matter of the interference.

Before an interference is declared between an application and an unexpired patent, an examiner must determine that there is interfering subject matter claimed in the application and the patent which is patentable to the applicant subject to a judgment in the interference. The interfering subject matter will be defined by one or more counts. Each count shall define a separate patentable invention. Any application must contain, or be amended to contain, at least one claim which corresponds to each count. All claims in the application and patent which define the same patentable invention as a count shall be designated to correspond to the count. At the time an interference is initially declared (§ 1.611), a count shall not be narrower in scope than any patent claim which corresponds to the count and any single patent claim will be presumed, subject to a motion under § 1.633(c), not to contain separate patentable inventions.

§ 1.607 Request by applicant for interference with patent.

(a) An applicant may seek to have an interference declared between an application and an unexpired patent by (1) presenting a proposed count and a claim corresponding to the proposed count and, if any claim of the patent or application does not correspond exactly to the proposed count, explaining why an interference should be declared, (2) identifying the patent and indicating which claim in the application and which claim or claims of the patent correspond to the proposed count, and (3) applying the terms of the application claim corresponding to the count to the disclosure of the application.

(b) When an applicant seeks an interference with a patent, examination of the application, including any appeal to the Board, shall be conducted with special dispatch within the Patent and Trademark Office. The examiner shall determine whether there is interfering subject matter claimed in the application and the patent which is patentable to the applicant subject to a judgment in an interference. If the examiner determines that there is any interfering subject matter, an interference will be declared. If the examiner determines that there is no interfering subject matter, the examiner shall state the reasons why an interference is not being declared and otherwise act on the application.

(c) When an applicant presents a claim which corresponds exactly or substantially to a claim of a patent, the applicant shall identify the patent and the number of the patent claim, unless the claim is presented in response to a suggestion by the examiner. The examiner shall notify the Commissioner of any instance where an applicant fails to identify the patent.

(d) A notice that an applicant is seeking to provoke an interference with a patent will be placed in the file of the patent and a copy of the notice will be sent to the patentee. The identity of the applicant will not be disclosed unless an interference is declared. If a final decision is made not to declare an interference, a notice to that effect will be placed in the patent file and will be sent to the patentee.

§ 1.608 Interference between an application and a patent; prima facie showing by applicant.

(a) When the earlier of the filing date or effective filing date of an application is three months or less after the earlier of the

filing date or effective filing date of a patent, the applicant, before an interference will be declared, shall file an affidavit alleging that there is a basis upon which applicant is entitled to a judgment relative to the patentee.

(b) When the earlier of the filing date or the effective filing date of an application is more than three months after the earlier of the filing date or the effective filing date under 35 U.S.C. § 120 of a patent, the applicant, before an interference will be declared, shall file (1) evidence which may consist of patents or printed publications, other documents, and one or more affidavits which demonstrate that applicant is *prima facie* entitled to a judgment relative to the patentee and (2) an explanation stating with particularity the basis upon which the applicant is {it *prima facie* {ro entitled to the judgment. Where the basis upon which an applicant is entitled to judgment relative to a patentee is priority of invention, the evidence shall include affidavits by the applicant, if possible, and one or more corroborating witnesses, supported by documentary evidence, if available, each setting out a factual description of acts and circumstances performed or observed by the affiant, which collectively would *prima facie* entitle the applicant to judgment on priority with respect to the earlier of the filing date or effective filing date of the patent. To facilitate preparation of a record (§ 1.653(g) and (h)) for final hearing, an applicant should file affidavits on paper which is 8-1/2x11 inches (21.8 by 27.9 cm.). The significance of any printed publication or other document which is self-authenticating within the meaning of Rule 902 of the Federal Rules of Evidence or § 1.671(d) and any patent shall be discussed in an affidavit or the explanation. Any printed publication or other document which is not self-authenticating shall be authenticated and discussed with particularity in an affidavit. Upon a showing of sufficient cause, an affidavit may be based on information and belief. If an examiner finds an application to be in condition for declaration of an interference, the examiner will consider the evidence and explanation only to the extent of determining whether a basis upon which the applicant would be entitled to a judgment relative to the patentee is alleged and, if a basis is alleged, an interference may be declared.

§ 1.609 Preparation of interference papers by examiner.

When the examiner determines that an interference should be declared, the examiner shall forward to the Board:

- (a) All relevant application and patent files and
- (b) A statement identifying:
 - (1) The proposed count or counts;
 - (2) The claims of any application or patent which correspond to each count, stating whether the claims correspond exactly or substantially to each count;
 - (3) The claims in any application which are deemed by the examiner to be patentable over any count; and
 - (4) Whether an applicant or patentee is entitled to the benefit of the filing date of an earlier application and, if so, sufficient information to identify the earlier application.

§ 1.610 Assignment of interference to examiner-in-chief, time period for completing interference.

(a) Each interference will be declared by an examiner-in-chief who may enter all interlocutory orders in the interference, except that only a panel consisting of at least three members of the Board shall (1) hear oral argument at final hearing, (2) enter a decision under §§ 1.617, 1.640(c) or (e), 1.652, 1.656(i) or 1.658 or (3) enter any other order which terminates the interference.

(b) As necessary, another examiner-in-chief may act in place of the one who declared the interference. Unless otherwise provided in this section, at the discretion of the examiner-in-chief assigned to the interference, a panel consisting of two or more members of the Board may enter interlocutory orders.

(c) Unless otherwise provided in this subpart, times for taking action by a party in the interference will be set on a case-by-case basis by the examiner-in-chief assigned to the interference. Times for taking action shall be set and the examiner-in-chief shall exercise control over the interference such that the pendency of the interference before the Board does not normally exceed two years.

(d) An examiner-in-chief may hold a conference with the parties to consider: (1) simplification of any issues, (2) the

necessity or desirability of amendments to counts, (3) the possibility of obtaining admissions of fact and genuineness of documents which will avoid unnecessary proof, (4) any limitations on the number of expert witnesses, (5) the time and place for conducting a deposition (§ 1.673(g)), and (6) any other matter as may aid in the disposition of the interference. After a conference, the examiner-in-chief may enter any order which may be appropriate.

(e) The examiner-in-chief may determine a proper course of conduct in an interference for any situation not specifically covered by this part.

§ 1.611 Declaration of interference.

(a) Notice of declaration of an interference will be sent to each party.

(b) When a notice of declaration is returned to the Patent and Trademark Office undelivered, or in any other circumstance where appropriate, an examiner-in-chief may (1) send a copy of the notice to a patentee named in a patent involved in an interference or the patentee's assignee of record in the Patent and Trademark Office or (2) order publication of an appropriate notice in the *Official Gazette*.

(c) The notice of declaration shall specify:

- (1) the name and residence of each party involved in the interference;
- (2) the name and address of record of any attorney or agent of record in any application or patent involved in the interference;
- (3) the name of any assignee of record in the Patent and Trademark Office;
- (4) the identity of any application or patent involved in the interference;
- (5) where a party is accorded the benefit of the filing date of an earlier application, the identity of the earlier application;
- (6) the count or counts;
- (7) the claim or claims of any application or any patent which correspond to each count; and
- (8) the order of the parties.

(d) The notice of declaration may also specify the time for: (1) filing a preliminary statement as provided in § 1.621(a); (2) serving notice that a preliminary statement has been filed as provided § 1.621(b); and (3) filing preliminary motions authorized by § 1.633, oppositions to the motions, and replies to the oppositions.

(e) Notice may be given in the *Official Gazette* that an interference has been declared involving a patent.

§ 1.612 Access to applications.

(a) After an interference is declared, each party shall have access to and may obtain copies of the files of any application set out in the notice declaring the interference, except for affidavits filed under § 1.131 and any evidence and explanation under § 1.608(b) filed separate from an amendment.

(b) After preliminary motions under § 1.633 are decided (§ 1.640(b)), each party shall have access to and may obtain copies of any affidavit filed under § 1.131 and any evidence and explanation filed under § 1.608(b) in any application set out in the notice declaring the interference.

(c) Any evidence and explanation filed under § 1.608(b) in the file of any application identified in the notice declaring the interference shall be served when required by § 1.617(b).

(d) The parties at any time may agree to exchange copies of papers in the files of any application identified in the notice declaring the interference.

§ 1.613 Lead attorney, same attorney representing different parties in an interference, withdrawal of attorney or agent.

(a) Each party may be required to designate one attorney or agent of record as the lead attorney or agent.

(b) The same attorney or agent or members of the same firm of attorneys or agents may not represent two or more parties in an interference except as may be permitted under this Chapter.

(c) An examiner-in-chief may make necessary inquiry to determine whether an attorney or agent should be disqualified

from representing a party in an interference. If an examiner-in-chief is of the opinion that an attorney or agent should be disqualified, the examiner-in-chief shall refer the matter to the Commissioner. The Commissioner will make a final decision as to whether any attorney or agent should be disqualified.

(d) No attorney or agent of record in an interference may withdraw as attorney or agent of record except with the approval of an examiner-in-chief and after reasonable notice to the party on whose behalf the attorney or agent has appeared. A request to withdraw as attorney or agent of record in an interference shall be made by motion (§ 1.635).

§ 1.614 Jurisdiction over interference.

(a) The Board shall assume jurisdiction over an interference when the interference is declared under § 1.611.

(b) When the interference is declared the interference is a contested case within the meaning of 35 U.S.C. § 24.

(c) The examiner shall have jurisdiction over any pending application until the interference is declared. An examiner-in-chief, where appropriate, may for a limited purpose restore jurisdiction to the examiner over any application involved in the interference.

§ 1.615 Suspension of *ex parte* prosecution.

(a) When an interference is declared, *ex parte* prosecution of an application involved in the interference is suspended. Amendments and other papers related to the application received during pendency of the interference to be entered or considered in the interference without the consent of an examiner-in-chief.

(b) *Ex parte* prosecution as to specified matters may be continued concurrently with the interference with the consent of the examiner-in-chief.

§ 1.616 Sanctions for failure to comply with rules or order.

An examiner-in-chief or the Board may impose an appropriate sanction against a party who fails to comply with the regulations of this part or any order entered by an examiner-in-chief or the Board. An appropriate sanction may include among others entry of an order:

(a) holding certain facts to have been established in the interference;

(b) precluding a party from filing a motion or a preliminary statement;

(c) precluding a party from presenting or contesting a particular issue;

(d) precluding a party from requesting, obtaining, or opposing discovery; or

(e) granting judgment in the interference.

§ 1.617 Summary judgment against applicant

(a) An examiner-in-chief shall review any evidence filed by an applicant under § 1.608(b) to determine if the applicant is *prima facie* entitled to a judgment relative to the patentee. If the examiner-in-chief determines that the evidence shows the applicant is *prima facie* entitled to a judgment relative to the patentee, the interference shall proceed in the normal manner under the regulations of this part. If in the opinion of the examiner-in-chief the evidence fails to show that the applicant is *prima facie* entitled to a judgment relative to the patentee, the examiner-in-chief shall, concurrently with the notice declaring the interference, enter an order stating the reasons for the opinion and directing the applicant, within a time set in the order, to show cause why summary judgment should not be entered against the applicant.

(b) The applicant may file a response to the order and state any reasons why summary judgment should not be entered. Any request by the applicant for a hearing before the Board shall be made in the response. Additional evidence shall not be presented by the applicant or considered by the Board unless the applicant shows good cause why any additional evidence was not initially presented with the evidence filed under § 1.608(b). At the time an applicant files a response, the applicant shall serve a copy of any evidence filed under § 1.608(b) and this paragraph.

(c) If a response is not timely filed by the applicant, the Board shall enter a final decision granting summary judgment against the applicant.

(d) If a response is timely filed by the applicant, all opponents may file a statement within a time set by the examiner-in-chief. The statement may set forth views as to why summary judgment should be granted against the applicant, but the statement shall be limited to discussing why all the evidence presented by the applicant does not overcome the reasons given by the examiner-in-chief for issuing the order to show cause. Evidence shall not be filed by any opponent. An opponent may not request an oral hearing.

(e) Within a time authorized by the examiner-in-chief, an applicant may file a reply to any statement filed by any opponent.

(f) When more than two parties are involved in an interference, all parties may participate in summary judgment proceedings under this section.

(g) If a response by the applicant is timely filed, the examiner-in-chief or the Board shall decide whether the evidence submitted under § 1.608(b) and any additional evidence properly submitted under paragraph (b) of this section shows that the applicant is *prima facie* entitled to a judgment relative to the patentee. If the applicant is not *prima facie* entitled to a judgment relative to the patentee, the Board shall enter a final decision granting summary judgment against the applicant. Otherwise, an interlocutory order shall be entered authorizing the interference to proceed in the normal manner under the regulations of this part.

(h) Only an applicant who filed evidence under § 1.608(b) may request a hearing. If that applicant requests a hearing, the Board may hold a hearing prior to entry of a decision under paragraph (g) of this section. The examiner-in-chief shall set a date and time for the hearing. Unless otherwise ordered by the examiner-in-chief or the Board, the applicant and any opponent will each be entitled to no more than 30 minutes of oral argument at the hearing.

§ 1.618 Return of unauthorized papers.

(a) The Patent and Trademark Office shall return to a party any paper presented by the party when the filing of the paper is not authorized by, or is not in compliance with the requirements of, this subpart. Any paper returned will not thereafter be considered by the Patent and Trademark Office in the interference. A party may be permitted to file a corrected paper under such conditions as may be deemed appropriate by an examiner-in-chief.

(b) When presenting a paper in an interference, a party shall not submit with the paper a copy of a paper previously filed in the interference.

§ 1.621 Preliminary statement, time for filing, notice of filing.

(a) Within the time set for filing preliminary motions under § 1.633, each party may file a preliminary statement. The preliminary statement may be signed by any individual having knowledge of the facts recited therein or an attorney or agent of record.

(b) When a party files a preliminary statement the party shall also simultaneously file and serve on all opponents in the interference a notice stating that a preliminary statement has been filed. A copy of the preliminary statement need not be served until ordered by an examiner-in-chief.

§ 1.622 Preliminary statement, who made invention, where invention made.

(a) A party's preliminary statement must identify the inventor who made the invention defined by each claim and must state on behalf of the inventor the facts required by paragraph (a) of §§ 1.623, 1.624, and 1.625 as may be appropriate. When an inventor identified in the preliminary statement is not an inventor named in the party's application or patent, the party shall file a motion under § 1.634 to correct inventorship.

(b) The preliminary statement shall state whether the invention was made in the United States or abroad. If made abroad, the preliminary statement shall state whether the party is entitled to the benefit of the second sentence of 35 U.S.C. § 104.

§ 1.623 Preliminary statement; invention made in United States.

(a) When the invention was made in the United States or a party is entitled to the benefit of the second sentence of 35 U.S.C.

§ 104, the preliminary statement must state the following facts as to the invention defined by each count:

- (1) The date on which the first drawing of the invention was made.
- (2) The date on which the first written description of the invention was made.
- (3) The date on which the invention was first disclosed by the inventor to another person.
- (4) The date on which the invention was first conceived by the inventor.
- (5) The date on which the invention was first actually reduced to practice. If the invention was not actually reduced to practice by or on behalf of the inventor prior to the party's filing date, the preliminary statement shall so state.
- (6) The date after the inventor's conception of the invention when active exercise of reasonable diligence toward reducing the invention to practice began.
- (b) If a party intends to prove derivation, the preliminary statement must also comply with § 1.625.

(c) When a party alleges under paragraph (a)(1) of this section that a drawing was made, a copy of the first drawing shall be filed with and identified in the preliminary statement. When a party alleges under paragraph (a)(2) of this section that a written description of the invention was made, a copy of the first written description shall be filed with and identified in the preliminary statement. See § 1.628(b) when a copy of the first drawing or written description cannot be filed with the preliminary statement.

§ 1.624 Preliminary statement; invention made abroad.

(a) When the invention was made abroad and a party intends to rely on introduction of the invention into the United States, the preliminary statement must state the following facts as to the invention defined by each count:

- (1) The date on which a drawing of the invention was first introduced into the United States.
- (2) The date on which a written description of the invention was first introduced into the United States.
- (3) The date on which the invention was first disclosed to another person in the United States.
- (4) The date on which the inventor's conception of the invention was first introduced into the United States.
- (5) The date on which an actual reduction to practice of the invention was first introduced into the United States. If an actual reduction to practice of the invention was not introduced into the United States, the preliminary statement shall so state.
- (6) The date after introduction of the inventor's conception into the United States when active exercise of reasonable diligence in the United States toward reducing the invention to practice began.

(b) If a party intends to prove derivation, the preliminary statement must also comply with § 1.625.

(c) When a party alleges under paragraph (a)(1) of this section that a drawing was introduced into the United States a copy of that drawing shall be filed with and identified in the preliminary statement. When a party alleges under paragraph (a)(2) of this section that a written description of the invention was introduced into the United States a copy of that written description shall be filed with and identified in the preliminary statement. See § 1.628(b) when a copy of the first drawing or first written description introduced into the United States cannot be filed with the preliminary statement.

§ 1.625 Preliminary statement; derivation by an opponent.

(a) When the invention was made in the United States or abroad and a party intends to prove derivation by an opponent from the party, the preliminary statement must state the following as to the invention defined by each count:

- (1) The name of the opponent.
- (2) The date on which the first drawing of the invention was made.
- (3) The date on which the first written description of the invention was made.

(4) The date on which the invention was first disclosed by the inventor to another person.

(5) The date on which the invention was first conceived by the inventor.

(6) The date on which the invention was first communicated to the opponent.

(b) If a party intends to prove priority, the preliminary statement must also comply with § 1.623 or § 1.624.

(c) When a party alleges under paragraph (a)(2) of this section that a drawing was made, a copy of the first drawing shall be filed with and identified in the preliminary statement. When a party alleges under paragraph (a)(3) of this section that a written description of the invention was made, a copy of the first written description shall be filed with and identified in the preliminary statement. See § 1.628(b) when a first drawing or first written description cannot be filed with the preliminary statement.

§ 1.626 Preliminary statement; earlier application.

When a party does not intend to present evidence to prove a conception or an actual reduction to practice and the party intends to rely solely on the filing date of an earlier application filed in the United States or abroad to prove a constructive reduction to practice, the preliminary statement may so state and identify the earlier application with particularity.

§ 1.627 Preliminary statement, sealing before filing, opening of statement.

(a) The preliminary statement and copies of any drawing or written description shall be filed in a sealed envelope bearing only the name of the party filing the statement and the style (e.g., Jones v. and number of the interference). The sealed envelope should contain only the preliminary statement and copies of any drawing or written description. If the preliminary statement is filed through the mail, the sealed envelope should be enclosed in an outer envelope addressed to the Commissioner of Patents and Trademarks in accordance with § 1.1(e).

(b) A preliminary statement may be opened only at the direction of an examiner-in-chief.

§ 1.628 Preliminary statement, correction of error.

(a) A material error arising through inadvertence or mistake in connection with (1) a preliminary statement or (2) drawings or a written description submitted therewith or omitted therefrom, may be corrected by a motion (§ 1.635) for leave to file a corrected statement. The motion shall be supported by an affidavit and shall show that the correction is essential to the ends of justice and shall be accompanied by the corrected statement. The motion shall be filed as soon as practical after discovery of the error.

(b) When a party cannot attach a copy of a drawing or a written description to the party's preliminary statement as required by §§ 1.623(c), 1.624(c), or 1.625(c), the party (1) shall show good cause and explain in the preliminary statement why a copy of the drawing or written description cannot be attached to the preliminary statement and (2) shall attach to the preliminary statement the earliest drawing or written description made in or introduced into the United States which is available. The party shall file a motion (§ 1.635) to amend its preliminary statement promptly after the first drawing, first written description, or drawing or written description first introduced into the United States becomes available. A copy of the drawing or written description may be obtained, where appropriate, by a motion (§ 1.635) for additional discovery under § 1.687 or during a testimony period.

§ 1.629 Effect of preliminary statement.

(a) A party shall be strictly held to any date alleged in the preliminary statement. Doubts as to (1) definiteness or sufficiency of any allegation in a preliminary statement or (2) compliance with formal requirements will be resolved against the party filing the statement by restricting the party to the earlier of its filing date or effective filing date or to the latest date of a period alleged in the preliminary statement as may be appropriate. A party may not correct a preliminary statement except as provided by § 1.628.

(b) Evidence which shows that an act alleged in the preliminary statement occurred prior to the date alleged in the statement shall establish only that the act occurred as early as the date alleged in the statement.

(c) If a party does not file a preliminary statement, the party:

(1) shall be restricted to the earlier of the party's filing date or effective filing date and

(2) will not be permitted to prove that:

(i) the party made the invention prior to the party's filing date or

(ii) any opponent derived the invention from the party.

(d) If a party files a preliminary statement which contains an allegation of a date of first drawing or first written description and the party does not file a copy of the first drawing or written description with the preliminary statement as required by § 1.623(c), § 1.624(c), or § 1.625(c), the party will be restricted to the earlier of the party's filing date or effective filing date as to that allegation unless the party complies with § 1.628(b). The content of any drawing or written description submitted with a preliminary statement will not normally be evaluated or considered by the Board.

(e) A preliminary statement shall not be used as evidence on behalf of the party filing the statement.

§ 1.630 Reliance on earlier application.

A party shall not be entitled to rely on the filing date of an earlier application filed in the United States or abroad unless (a) the earlier application is identified § 1.611(c)(5)) in the notice declaring the interference or (b) the party files a preliminary motion under § 1.633 seeking the benefit of the filing date of the earlier application.

§ 1.631 Access to preliminary statement, service of preliminary statement.

(a) Unless otherwise ordered by an examiner-in-chief, concurrently with entry of a decision by the examiner-in-chief on preliminary motions filed under § 1.633, any preliminary statement filed under § 1.621(a) shall be opened to inspection by the senior party and any junior party who filed a preliminary statement. Within a time set by the examiner-in-chief, a party shall serve copies of its preliminary statement on every opponent who served a notice under § 1.621(b).

(b) A junior party who does not file a preliminary statement shall not have access to the preliminary statement of any other party.

(c) If an interference is terminated before the preliminary statements have been opened, the preliminary statements will remain sealed and will be returned to the respective parties who submitted the statements.

§ 1.632 Notice of intent to argue abandonment, suppression or concealment by opponent.

A notice shall be filed by a party who intends to argue that an opponent has abandoned, suppressed, or concealed an actual reduction to practice (35 U.S.C. § 102(g)). A party will not be permitted to argue abandonment, suppression, or concealment by an opponent unless the notice is timely filed. Unless authorized otherwise by an examiner-in-chief, a notice is timely when filed within ten (10) days of the close of the testimony-in-chief of the opponent.

§ 1.633 Preliminary Motions.

A party may file the following preliminary motions:

(a) A motion for judgment on the ground that an opponent's claim corresponding to a count is not patentable to the opponent. In determining a motion filed under this paragraph, a claim may be construed by reference to the prior art of record. A motion under this paragraph shall not be based on: (1) priority of invention of the subject matter of a count by the moving party as against any opponent or (2) derivation of the subject matter of a count by an opponent from the moving party. See § 1.637(a)

(b) A motion for judgment on the ground that there is no interference-in-fact. A motion under this paragraph is proper

only if: (1) the interference involves a design application or patent or a plant application or patent or (2) no claim of a party which corresponds to a count is identical to any claim of an opponent which corresponds to that count. See § 1.637(a)

(c) A motion to redefine the interfering subject matter by (1) adding or substituting a count, (2) amending an application claim corresponding to a count or adding a claim in the moving party's application to be designated to correspond to a count, (3) designating an application or patent claim to correspond to a count, (4) designating an application or patent claim as not corresponding to a count, or (5) requiring an opponent who is an applicant to add a claim and to designate the claim to correspond to a count. See § 1.637(a) and (c).

(d) A motion to substitute a different application owned by a party for an application involved in the interference. See § 1.637(a) and (d).

(e) A motion to declare an additional interference (1) between an additional application not involved in the interference and owned by a party and an opponent's application or patent involved in the interference or (2) when an interference involves three or more parties, between less than all applications and any patent involved in the interference. See § 1.637(a) and (e).

(f) A motion to be accorded the benefit of the filing date of an earlier application filed in the United States or abroad. See § 1.637(a) and (f).

(g) A motion to attack the benefit accorded an opponent in the notice declaring the interference of the filing date of an earlier application filed in the United States or abroad. See § 1.637(a) and (g).

(h) When a patent is involved in an interference and the patentee has on file or files an application for reissue under § 1.171, a motion to add the application for reissue to the interference. See § 1.637(a) and (h).

(i) When a motion is filed under paragraph (a), (b), or (g) of this section, an opponent, in addition to opposing the motion, may file a motion to redefine the interfering subject matter under paragraph (c) of this section or a motion to substitute a different application under paragraph (d) of this section.

(j) When a motion is filed under paragraph (c)(1) of this section an opponent, in addition to opposing the motion, may file a motion for benefit under paragraph (f) of this section as to the count to be added or substituted.

§ 1.634 Motion to correct inventorship.

A party may file a motion to (a) amend its application involved in an interference to correct inventorship as provided by § 1.48 or (b) correct inventorship of its patent involved in an interference as provided in § 1.324. See § 1.637(a).

§ 1.635 Miscellaneous motions.

A party seeking entry of an order relating to any matter other than a matter which may be raised under §§ 1.633 or 1.634 may file a motion requesting entry of the order. See § 1.637(a) and (b).

§ 1.636 Motions, time for filing.

(a) A preliminary motion under § 1.633(a) through (h) shall be filed within a time period set by an examiner-in-chief.

(b) A preliminary motion under § 1.633(i) or (j) shall be filed within 20 days of the service of the preliminary motion under § 1.633(a), (b), or (g) unless otherwise ordered by an examiner-in-chief.

(c) A motion under § 1.634 shall be diligently filed after an error is discovered in the inventorship of an application or patent involved in an interference unless otherwise ordered by an examiner-in-chief.

(d) A motion under § 1.635 shall be filed as specified in this subpart or when appropriate unless otherwise ordered by an examiner-in-chief.

§ 1.637 Content of motions.

(a) Every motion shall include (1) a statement of the precise relief requested, (2) a statement of the material facts in support of the motion, and (3) a full statement of the reasons why the relief requested should be granted.

(b) A motion under § 1.635 shall contain a certificate by the moving party stating that the moving party has conferred with all opposing parties in an effort in good faith to resolve by agreement the issues raised by the motion. A moving party shall indicate in the motion whether any other party plans to oppose the motion. The provisions of this paragraph do not apply to a motion to suppress evidence (§ 1.656(h)).

(c) A preliminary motion under § 1.633(c) shall explain why the interfering subject matter should be redefined.

(1) A preliminary motion seeking to add or substitute a count shall:

(i) Propose each count to be added or substituted.

(ii) When the moving party is an applicant, show the patentability to the applicant of all claims in, or proposed to be added to, the party's application which correspond to each proposed count and apply the terms of the claims to the disclosure of the party's application; when necessary amending party applicant shall file with the motion an amendment adding any proposed claim to the application.

(iii) Identify all claims in an opponent's application which should be designated to correspond to each proposed count; if an opponent's application does not contain such a claim, the moving party shall propose a claim to be added to the opponent's application. The moving party shall show the patentability of any proposed claims to the opponent and apply the terms of the claims to the disclosure of the opponent's application.

(iv) Designate the claims of any patent involved in the interference which define the same patentable invention as each proposed count.

(v) Show that each proposed count defines a separate patentable invention from every other count in the interference.

(vi) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of any earlier application filed in the United States or abroad.

(2) A preliminary motion seeking to amend an application claim corresponding to a count or adding a claim to be designated to correspond to a count shall:

(i) Propose an amended or added claim.

(ii) Show that the proposed or added claim defines the same patentable invention as the count.

(iii) Show the patentability to the applicant of each amended or added claim and apply the terms of the amended or added claim to the disclosure of the application; when necessary a moving party applicant shall file with the motion an amendment making the amended or added claim to the application.

(iv) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of any earlier application filed in the United States or abroad.

(3) A preliminary motion seeking to designate an application or patent claim to correspond to a count shall:

(i) Identify the claim and the count.

(ii) Show the claim defines the same patentable invention as the count.

(iii) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of any earlier application filed in the United States or abroad.

(4) A preliminary motion seeking to designate an application or patent claim as not corresponding to a count shall:

(i) Identify the claim and the count.

(ii) Show the claim does not define the same patentable invention as any other claim designated in the notice declaring the interference as corresponding to the count.

(5) A preliminary motion seeking to require an opponent who is an applicant to add a claim and designate the claim as corresponding to a count shall:

(i) Propose a claim to be added by the opponent.

(ii) Show the patentability to the opponent of the claim and apply the terms of the claim to the disclosure of the opponent's application.

(iii) Identify the count to which the claim shall be designated to correspond.

(iv) Show the claim defines the same patentable invention as the count to which it will be designated to correspond.

(d) A preliminary motion under § 1.633(d) to substitute a different application shall:

(1) Identify the different application.

(2) Certify that a complete copy of the file of the different application, except for documents filed under § 1.131 or § 1.608(b), has been served on all opponents.

(3) Show the patentability to the applicant of all claims in, or proposed to be added to, the different application which correspond to each count and apply the terms of the claims to the disclosure of the different application; when necessary the applicant shall file with the motion an amendment adding a claim to the different application.

(4) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier application filed in the United States or abroad.

(e) A preliminary motion to declare an additional interference under § 1.633(e) shall explain why an additional interference is necessary:

(1) When the preliminary motion seeks an additional interference under § 1.633(e)(1), the motion shall:

(i) Identify the additional application.

(ii) Certify that a complete copy of the file of the additional application, except for documents filed under §§ 1.131 or 1.608(b), has been served on all opponents.

(iii) Propose a count for the additional interference.

(iv) Show the patentability to the applicant of all claims in, or proposed to be added to, the additional application which correspond to each proposed count for the additional interference and apply the terms of the claims to the disclosure of the additional application; when necessary the applicant shall file with the motion an amendment adding a claim to the additional application.

(v) When the opponent is an applicant, show the patentability to the opponent of any claims in, or proposed to be added to, the opponent's application which correspond to the proposed count and apply the terms of the claims to the disclosure of the opponent's application.

(vi) When the opponent is a patentee, designate the claims of the patent which define the same patentable invention defined by the proposed count.

(vii) Show that each proposed count for the additional interference defines a separate patentable invention from all counts of the interference in which the motion is filed.

(viii) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier application filed in the United States or abroad.

(2) When the preliminary motion seeks an additional interference under § 1.633(e)(2), the motion shall:

(i) Identify any application or patent to be involved in the additional interference.

(ii) Propose a count for the additional interference.

(iii) When the moving party is an applicant, show the patentability to the applicant of all claims in, or proposed to be added to the party's application which correspond to each proposed count and apply the terms of the claims to the disclosure of the party's application; when necessary a moving party applicant shall file with the motion an amendment adding any proposed claim to the application.

(iv) Identify all claims in any opponent's application which should be designated to correspond to each proposed count; if an opponent's application does not contain such a claim, the moving party shall propose a claim to be added to the opponent's application. The moving party shall show the patentability of any proposed claims to the opponent and apply the terms of the claims to the disclosure of the opponent's application.

(v) Designate the claims of any patent involved in the interference which define the same patentable invention as each proposed count.

(vi) Show that each proposed count for the additional interference defines a separate patentable invention from all counts in the interference in which the motion is filed.

(vii) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier application filed in the United States or abroad.

(f) A preliminary motion for benefit under § 1.633(f) shall:

(1) Identify the earlier application.

(2) When the earlier application is an application filed in the United States, certify that a complete copy of the file of the earlier application, except for documents filed under § 1.131 or § 1.608(b), has been served on all opponents. When the

earlier application is an application filed abroad, certify that a copy of the application filed abroad has been served on all opponents. If the earlier application filed abroad is not in English, the requirements of § 1.647 must also be met.

(3) Show that the earlier application constitutes a constructive reduction to practice of each count.

(g) A preliminary motion to attack benefit under § 1.633(g) shall explain, as to each count, why an opponent should not be accorded the benefit of the filing date of the earlier application.

(h) A preliminary motion to add an application for reissue under § 1.633(h) shall:

(1) Identify the application for reissue.

(2) Certify that a complete copy of the file of the application for reissue has been served on all opponents.

(3) Show the patentability of all claims in, or proposed to be added to, the application for reissue which correspond to each count and apply the terms of the claims to the disclosure of the application for reissue; when necessary a moving applicant for reissue shall file with the motion an amendment adding a claim to the application for reissue.

(4) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier application filed in the United States or abroad.

§ 1.638 Opposition and reply, time for filing opposition and reply.

(a) Unless otherwise ordered by an examiner-in-chief, any opposition to any motion shall be filed within 20 days after service of the motion. An opposition shall (1) identify any material fact set forth in the motion which is in dispute and (2) include an argument why the relief requested in the motion should be denied.

(b) Unless otherwise ordered by an examiner-in-chief, a reply shall be filed within 15 days after service of the opposition. A reply shall be directed only to new points raised in the opposition.

§ 1.639 Evidence in support of motion, opposition, or reply.

(a) Proof of any material fact alleged in a motion, opposition, or reply must be filed and served with the motion, opposition, or reply unless the proof relied upon is part of the interference file or the file of any patent or application involved in the interference or any earlier application filed in the United States of which a party has been accorded or seeks to be accorded benefit.

(b) Proof may be in the form of patents, printed publications, and affidavits.

(c) When a party believes that testimony is necessary to support or oppose a preliminary motion under § 1.633 or a motion to correct inventorship under § 1.634, the party shall describe the nature of the testimony needed. If the examiner-in-chief finds that testimony is needed to decide the motion, the examiner-in-chief may grant appropriate interlocutory relief and enter an order authorizing the taking of testimony and deferring a decision on the motion to final hearing.

§ 1.640 Motions, hearing and decision, redeclaration of interference, order to show cause.

(a) A hearing on a motion may be held in the discretion of the examiner-in-chief. The examiner-in-chief shall set the date and time for any hearing. The length of oral argument at a hearing on a motion is a matter within the discretion of the examiner-in-chief. An examiner-in-chief may direct that a hearing take place by telephone.

(b) Motions will be decided by an examiner-in-chief. An examiner-in-chief may consult with an examiner in deciding motions involving a question of patentability. An examiner-in-chief may grant or deny any motion or take such other action which will secure the just, speedy, and inexpensive determination of the interference.

(1) When preliminary motions under § 1.633 are decided, the examiner-in-chief will, when necessary, set a time for filing any amendment to an application involved in the interference and for filing a supplemental preliminary statement as to any new counts involved in the interference. Failure or refusal of a party to timely present an amendment required by an examiner-in-chief shall be taken without

further action as a disclaimer by that party of the invention involved. A supplemental preliminary statement shall meet the requirements specified in §§ 1.623, 1.624, 1.625, or 1.626, but need not be filed if a party states that it intends to rely on a preliminary statement previously filed under § 1.621(a). After the time expires for filing any amendment and supplemental preliminary statement, the examiner-in-chief will, if necessary, redeclare the interference.

(2) After a decision is entered on preliminary motions filed under § 1.633, a further motion under § 1.633 will not be considered except as provided by § 1.655(b).

(c) When a decision on any motion under §§ 1.633, 1.634, or 1.635 is entered which does not result in the issuance of an order to show cause under paragraph (d) of this section, a party may file a request for reconsideration within 14 days after the date of the decision. The filing of a request for reconsideration will not stay any time period set by the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. No opposition to a request for reconsideration shall be filed unless requested by an examiner-in-chief or the Board. A decision of single examiner-in-chief will not ordinarily be modified unless an opposition has been requested by an examiner-in-chief or the Board. The request for reconsideration shall be acted on by a panel of the Board consisting of at least three examiners-in-chief, one of whom will normally be the examiner-in-chief who decided the motion.

(d) An examiner-in-chief may issue an order to show cause why judgment should not be entered against a party when:

(1) A decision on a motion is entered which is dispositive of the interference against the party as to all counts;

(2) The party is a junior party who fails to file a preliminary statement; or

(3) The party is a junior party whose preliminary statement fails to overcome the earlier of the filing date or effective filing date of another party.

(e) When an order to show cause is issued under paragraph (d) of this section, the Board shall enter a judgment in accordance with the order unless, within 20 days after the date of the order, the party against whom the order issued files a paper which shows good cause why judgment should not be entered in accordance with the order. Any other party may file a response to the paper within 20 days of the date of service of the paper. If the party against whom the order was issued fails to show good cause, the Board shall enter judgment against the party. If a party wishes to take testimony in response to an order to show cause, the party's response should be accompanied by a motion (§ 1.635) requesting the testimony period. See § 1.651(c)(4).

§ 1.641 Unpatentability discovered by examiner-in-chief.

During the pendency of an interference, if the examiner-in-chief becomes aware of a reason why a claim corresponding to a count may not be patentable, the examiner-in-chief may notify the parties of the reason and set a time within which each party may present its views. After considering any timely filed views, the examiner-in-chief shall decide how the interference shall proceed.

§ 1.642 Addition of application or patent to interference.

During the pendency of an interference, if the examiner-in-chief becomes aware of an application or a patent not involved in the interference which claims the same patentable invention as a count in the interference, the examiner-in-chief may add the application or patent to the interference on such terms as may be fair to all parties.

§ 1.643 Prosecution of interference by assignee.

(a) An assignee of record in the Patent and Trademark Office of the entire interest in an application or patent involved in an interference is entitled to conduct prosecution of the interference to the exclusion of the inventor.

(b) An assignee of a part interest in an application or patent involved in an interference may file a motion (§ 1.635) for entry of an order authorizing it to prosecute the interference. The motion shall show (1) the inability or refusal of the inventor to prosecute the interference or (2) other cause why the ends of

justice require that the assignee of a part interest be permitted to prosecute the interference. The examiner-in-chief may allow the assignee of a part interest to prosecute the interference upon such terms as may be appropriate.

§ 1.644 *Petitions in interferences.*

(a) There is no appeal to the Commissioner in an interference from a decision of an examiner-in-chief or a panel consisting of more than one examiner-in-chief. The Commissioner will not consider a petition in an interference unless:

(1) The petition is from a decision of an examiner-in-chief or a panel and the examiner-in-chief or the panel shall be of the opinion (i) that the decision involves a controlling question of procedure or an interpretation of a rule as to which there is a substantial ground for a difference of opinion and (ii) that an immediate decision on petition by the Commissioner may materially advance the ultimate termination of the interference;

(2) The petition seeks to invoke the supervisory authority of the Commissioner and is not filed prior to the decision of the Board awarding judgment and does not relate to (i) the merits of priority of invention or patentability or (ii) the admissibility of evidence under the Federal Rules of Evidence; or

(3) The petition seeks relief under § 1.183.

(b) A petition under paragraph (a)(1) of this section filed more than 15 days after the date of the decision of the examiner-in-chief or the panel may be dismissed as untimely. A petition under paragraph (a)(2) of this section shall not be filed prior to decision by the Board awarding judgment. Any petition under paragraph (a)(3) of this section shall be timely if it is made as part of, or simultaneously with, a proper motion under §§ 1.633, 1.634, or 1.635. Any opposition to a petition shall be filed within 15 days of the date of service of the petition.

(c) The filing of a petition shall not stay the proceeding unless a stay is granted in the discretion of the examiner-in-chief, the panel, or the Commissioner.

(d) Any petition must contain a statement of the facts involved and the point or points to be reviewed and the action requested. Briefs or memoranda, if any, in support of the petition or opposition shall accompany or be embodied therein. The petition will be decided on the basis of the record made before the examiner-in-chief or the panel and no new evidence will be considered by the Commissioner in deciding the petition. Copies of documents already of record in the interference shall not be submitted with the petition or opposition.

(e) Any petition under paragraph (a) of this section shall be accompanied by the petition fee set forth in § 1.17(h).

(f) Any request for reconsideration of a decision by the Commissioner shall be filed within 15 days of the decision of the Commissioner and must be accompanied by the fee set forth in § 1.17(h). No opposition to a request for reconsideration shall be filed unless requested by the Commissioner. The decision will not ordinarily be modified unless such an opposition has been requested by the Commissioner.

(g) Where reasonably possible, service of any petition, opposition, or request for reconsideration shall be such that delivery is accomplished within one working day. Service by hand or "Express Mail" complies with this paragraph.

(h) An oral hearing on the petition will not be granted except when considered necessary by the Commissioner.

(i) The Commissioner may delegate to appropriate Patent and Trademark Office employees the determination of petitions under this section.

§ 1.645 *Extension of time, late papers, stay of proceedings.*

(a) A party may file a motion (§ 1.635) seeking an extension of time to take action in an interference, to file a notice of appeal (§§ 1.302, 1.304), or to commence a civil action (§§ 1.303, 1.304). The motion shall be filed within sufficient time to actually reach the examiner-in-chief before expiration of the time for taking action, filing the notice, or commencing the civil action. A moving party should not assume that the motion will be granted even if there is no objection by any other party. The motion will be denied unless the moving party shows good cause why an extension should be granted. The press of other business

arising after an examiner-in-chief sets a time for taking action will not normally constitute good cause. A motion seeking additional time to take testimony because a party has not been able to procure the testimony of a witness shall set forth the name of the witness, any steps taken to procure the testimony of the witness, the dates on which the steps were taken, and the facts expected to be proved through the witness.

(b) Any paper belatedly filed will not be considered except upon motion (§ 1.635) which shows sufficient cause why the paper was not timely filed.

(c) The provisions of § 1.136 do not apply to time periods in interferences.

(d) In an appropriate circumstance, an examiner-in-chief may stay proceedings in an interference.

§ 1.646 *Service of papers, proof of service.*

(a) A copy of every paper filed in the Patent and Trademark Office in an interference or an application or patent involved in the interference shall be served upon all other parties except:

(1) Preliminary statements when filed under § 1.621; preliminary statements shall be served when service is ordered by an examiner-in-chief.

(2) Certified transcripts and exhibits which accompany the transcripts filed under §§ 1.676 or 1.684; copies of transcripts shall be served as part of a party's record under § 1.653(c).

(b) Service shall be on an attorney or agent for a party. If there is no attorney or agent for the party, service shall be on the party. An examiner-in-chief may order additional service or waive service where appropriate.

(c) Unless otherwise ordered by an examiner-in-chief, or except as otherwise provided by this part, service of a paper shall be made as follows:

(1) By handing a copy of the paper to the person served.

(2) By leaving a copy of the paper with someone employed by the person at the person's usual place of business.

(3) When the person served has no usual place of business, by leaving a copy of the paper at the person's residence with someone of suitable age and discretion then residing therein.

(4) By mailing a copy of the paper by first class mail; when service is by mail the date of mailing is regarded as the date of service.

(5) When it is shown to the satisfaction of an examiner-in-chief that none of the above methods of obtaining or serving the copy of the paper was successful, the examiner-in-chief may order service by publication of an appropriate notice in the *Official Gazette*.

(d) An examiner-in-chief may order that a paper be served by hand or "Express Mail".

(e) Proof of service must be made before a paper will be considered in an interference. Proof of service may appear on or be affixed to the paper. Proof of service shall include the date and manner of service. In the case of personal service under paragraphs (c)(1) through (c)(3) of this section, proof of service shall include the names of any person served and the person who made the service. Proof of service may be made by an acknowledgment of service by or on behalf of the person served or a statement signed by the party or the party's attorney or agent containing the information required by this section. A statement of an attorney or agent attached to, or appearing in, the paper stating the date and manner of service will be accepted as *prima facie* proof of service.

§ 1.647 *Translation of document in foreign language.*

When a party relies on a document in a language other than English, a translation of the document into English and an affidavit attesting to the accuracy of the translation shall be filed with the document.

§ 1.651 *Setting times for discovery and taking testimony, parties entitled to take testimony.*

(a) At an appropriate stage in an interference, an examiner-in-chief shall set (1) a time for filing motions (§ 1.635) for

additional discovery under § 1.687(c) and (2) testimony periods for taking any necessary testimony.

(b) Where appropriate, testimony periods will be set to permit a party to:

- (1) present its case-in-chief and/or case-in-rebuttal and/or
- (2) cross-examine an opponent's case-in-chief and/or a case-in-rebuttal.

(c) A party is not entitled to take testimony to present a case-in-chief unless:

- (1) the examiner-in-chief orders the taking of testimony under § 1.639(c);
- (2) the party alleges in its preliminary statement a date of invention prior to the earlier of the filing date or effective filing date of the senior party;

(3) a testimony period has been set to permit an opponent to prove a date of invention prior to the earlier of the filing date or effective filing date of the party and the party has filed a preliminary statement alleging a date of invention prior to that date; or

(4) a motion (§ 1.635) is filed showing good cause why a testimony period should be set.

(d) Testimony shall be taken during the testimony periods set under paragraph (a) of this section.

§ 1.652 Judgment for failure to take testimony or file record.

If a junior party fails to timely take testimony authorized under § 1.651, or file a record under § 1.653(c), an examiner-in-chief, with or without a motion (§ 1.635) by another party, may issue an order to show cause why judgment should not be entered against the junior party. When an order is issued under this section, the Board shall enter judgment in accordance with the order unless, within 15 days after the date of the order, the junior party files a paper which shows good cause why judgment should not be entered in accordance with the order. Any other party may file a response to the paper within 15 days of the date of service of the paper. If the party against whom the order was issued fails to show good cause, the Board shall enter judgment against the party.

§ 1.653 Record and exhibits.

(a) Testimony shall consist of affidavits under § 1.672(b) and (e), transcripts of depositions under §§ 1.672(b) and (c), agreed statements of fact under § 1.672(f), and transcripts of interrogatories, cross-interrogatories, and recorded answers under § 1.684(c).

(b) An affidavit shall be filed as set forth in § 1.672(b) or (e). A certified transcript of a deposition including a deposition cross-examination of any affiant, shall be filed as set forth in § 1.676. An original agreed statement shall be filed as set forth in § 1.672(f). A transcript of interrogatories, cross-interrogatories, and recorded answers shall be filed as set forth under § 1.684(c).

(c) In addition to the items specified in paragraph (b) of this section and within a time set by an examiner-in-chief each party shall file three copies and serve one copy of a record consisting of:

(1) An index of the names of each witness giving the pages of the record where the direct testimony and cross-examination of each witness begins.

(2) An index of exhibits briefly describing the nature of each exhibit and giving the page of the record where each exhibit is first identified and offered into evidence.

(3) The count or counts.

(4) Each (i) affidavit, (ii) transcript, including transcripts of cross-examination of any affiant, (iii) agreed statement relied upon by the party, and (iv) transcript of interrogatories, cross-interrogatories, and recorded answers filed under paragraph (b) of this section.

(5) Each notice, official record, and publication relied upon by the party and filed under § 1.682(a).

(6) Any evidence from another interference, proceeding, or action relied upon by the party under § 1.683.

(7) Each request for an admission and the admission and each written interrogatory and the answer upon which a party intends to rely under § 1.688.

(d) The pages of the record shall be consecutively numbered.

(e) The name of each witness shall appear at the top of each page of each affidavit or transcript.

(f) The record may be typewritten or printed.

(g) When the record is printed, it may be produced by standard typographical printing or by any process capable of producing a clear black permanent image. All printed matter except on covers must appear in at least 11 point type on opaque, unglazed paper. Margins must be justified. Footnotes may not be printed in type smaller than 9 point. The page size shall be 8-1/2 by 11 inches (21.8 by 27.9 cm.) with type matter 6-1/2 by 9-1/2 inches (16.5 by 24.1 cm.). The record shall be bound to lie flat when open.

(h) When the record is typewritten, it must be clearly legible on opaque, unglazed, durable paper approximately 8-1/2 by 11 inches (21.8 by 27.9 cm.) in size (letter size). Typing shall be double-spaced on one side of the paper in not smaller than pica-type with a margin of 1-1/2 inches (3.8 cm.) on the left-hand side of the page. The pages of the record shall be bound with covers at their left edges in such manner to lie flat when open in one or more volumes of convenient size (approximately 100 pages per volume is suggested). Multigraphed or otherwise reproduced copies conforming to the standards specified in this paragraph may be accepted.

(i) Each party shall file its exhibits with the record specified in paragraph (c) of this section. One copy of each documentary exhibit shall be served. Documentary exhibits shall be filed in an envelope or folder and shall not be bound as part of the record. Physical exhibits, if not filed by an officer under § 1.676(d), shall be filed with the record. Each exhibit shall contain a label which identifies the party submitting the exhibit and an exhibit number, the style of the interference (e.g., *Jones v. Smith*), and the interference number. Where possible, the label should appear at the bottom right-hand corner of each documentary exhibit. Upon termination of an interference, an examiner-in-chief may return an exhibit to the party filing the exhibit. When any exhibit is returned, the examiner-in-chief shall enter an appropriate order indicating that the exhibit has been returned.

(j) Any testimony, record, or exhibit which does not comply with this section may be returned under § 1.618(a).

§ 1.654 Final hearing.

(a) At an appropriate stage of the interference, the parties will be given an opportunity to appear before the Board to present oral argument at a final hearing. An examiner-in-chief shall set a date and time for final hearing. Unless otherwise ordered by an examiner-in-chief or the Board, each party will be entitled to no more than 60 minutes of oral argument at final hearing.

(b) The opening argument of a junior party shall include a fair statement of the junior party's case and the junior party's position with respect to the case presented on behalf of any other party. A junior party may reserve a portion of its time for rebuttal.

(c) A party shall not be entitled to argue that an opponent abandoned, suppressed, or concealed an actual reduction to practice unless a notice under § 1.632 was timely filed.

(d) After final hearing, the interference shall be taken under advisement by the Board. No further paper shall be filed except under § 1.658(b) or as authorized by an examiner-in-chief or the Board. No additional oral argument shall be had unless ordered by the Board.

§ 1.655 Matters considered in rendering a final decision.

(a) In rendering a final decision, the Board may consider any properly raised issue including (1) priority of invention, (2) derivation by an opponent from a party who filed a preliminary statement under § 1.625, (3) patentability of the invention, (4) admissibility of evidence, (5) any interlocutory matter deferred to final hearing, and (6) any other matter necessary to resolve the interference. The Board may also consider whether any interlocutory order was manifestly erroneous or an abuse of discretion. All interlocutory orders shall be presumed to have been correct and the burden of showing manifest error or an abuse of discretion shall be on the party attacking the order.

(b) A party shall not be entitled to raise for consideration at final hearing a matter which properly could have been raised by a motion under §§ 1.633 or 1.634 unless (1) the motion was properly filed, (2) the matter was properly raised by a party in opposition to a motion under §§ 1.633 or 1.634 and the motion

was granted over the opposition, or (3) the party shows good cause why the issue was not timely raised by motion or opposition.

(c) To prevent manifest injustice, the Board may consider an issue even though it would not otherwise be entitled to consideration under this section.

§ 1.656 Briefs for final hearing.

(a) Each party shall be entitled to file briefs for final hearing. The examiner-in-chief shall determine the briefs needed and shall set the time and order for filing briefs.

(b) The opening brief of a junior party shall contain under appropriate headings and in the order indicated:

(1) A table of contents, with page references, and a table of cases (alphabetically arranged), statutes, and other authorities cited, with references to the pages of the brief where they are cited.

(2) A statement of the issues presented for decision in the interference.

(3) A statement of the facts relevant to the issues presented for decision with appropriate references to the record.

(4) An argument, which may be preceded by a summary, which shall contain the contentions of the party with respect to the issues to be decided, and the reasons therefor, with citations to the cases, statutes, other authorities, and parts of the record relied on.

(5) A short conclusion stating the precise relief requested.

(6) An appendix containing a copy of the counts.

(c) The opening brief of the senior party shall conform to the requirements of paragraph (b) of this section except:

(1) a statement of the issues and of the facts need not be made unless the party is dissatisfied with the statement in the opening brief of the junior party and

(2) an appendix containing a copy of the counts need not be included if the copy of the counts in the opening brief of the junior party is correct.

(d) Briefs may be printed or typewritten. If typewritten, legal-size paper may be used. The opening brief of each party in excess of 50 legal-size double-spaced typewritten pages or any other brief in excess of 25 legal-size double-space typewritten pages shall be printed unless a satisfactory reason be given why the brief should not be printed. Any printed brief shall comply with the requirements of § 1.653(g). Any typewritten brief shall comply with the requirements of § 1.653(h), except legal-size paper may be used and the binding and covers specified are not required.

(e) An original and three copies of each brief must be filed.

(f) Any brief which does not comply with the requirements of this section may be returned under § 1.618(a).

(g) Any party, separate from its opening brief, but filed concurrently therewith, may file an original and three copies of concise proposed findings of fact and conclusions of law. Any proposed findings of fact shall be supported by specific references to the record. Any proposed conclusions of law shall be supported by citation of cases, statutes, or other authority. Any opposing party, separate from its opening or reply brief, but filed concurrently therewith, may file a paper accepting or objecting to any proposed findings of fact or conclusions of law; when objecting, a reason must be given. The Board may adopt the proposed findings of fact and conclusions of law in whole or in part.

(h) If a party wants the Board in rendering its final decision to rule on the admissibility of any evidence, the party shall file with its opening brief an original and three copies of a motion (§ 1.635) to suppress the evidence. The provisions of § 1.637(b) do not apply to a motion to suppress under this paragraph. Any objection previously made to the admissibility of an opponent's evidence is waived unless the motion required by this paragraph is filed. An original and three copies of an opposition to the motion may be filed with an opponent's opening brief or reply brief as may be appropriate.

(i) When a junior party fails to timely file an opening brief, an order may issue requiring the junior party to show cause why the Board should not treat failure to file the brief as a concession of

priority. If the junior party fails to respond within a time period set in the order, judgment may be entered against the junior party.

§ 1.657 Burden of proof as to date of invention.

A rebuttable presumption shall exist that, as to each count, the inventors made their invention in the chronological order of the earlier of their filing dates or effective filing dates. The burden of proof shall be upon a party who contends otherwise.

§ 1.658 Final decision.

(a) After final hearing, the Board shall enter a decision resolving the issues raised at final hearing. The decision may (1) enter judgment, in whole or in part, (2) remand the interference to an examiner-in-chief for further proceedings, or (3) take further action not inconsistent with law. A judgment as to a count shall state whether or not each party is entitled to a patent containing the claims in the party's patent or application which correspond to the count. When the Board enters a decision awarding judgment as to all counts, the decision shall be regarded as a final decision.

(b) Any request for reconsideration of a decision under paragraph (a) of this section shall be filed within 14 days after the date of the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. Any reply to a request for reconsideration shall be filed within 14 days of the date of service of the request for reconsideration. Where reasonably possible, service of the request for reconsideration shall be such that delivery is accomplished by hand or "Express Mail." The Board shall enter a decision on the request for reconsideration. If the Board shall be of the opinion that the decision on the request for reconsideration significantly modifies its original decision under paragraph (a) of this section, the Board may designate the decision on the request for reconsideration as a new decision.

(c) A judgment in an interference settles all issues which (1) were raised and decided in the interference, (2) could have been properly raised and decided in the interference by a motion under § 1.633 (a) through (d) and (f) through (j) or § 1.634 and (3) could have been properly raised and decided in an additional interference with a motion under § 1.633(e). A losing party who could have properly moved, but failed to move, under §§ 1.633 or 1.634, shall be estopped to take *ex parte* or *inter partes* action in the Patent and Trademark Office after the interference which is inconsistent with that party's failure to properly move, except that a losing party shall not be estopped with respect to any claims which correspond, or properly could have corresponded, to a count as to which that party was awarded a favorable judgment.

§ 1.659 Recommendation.

(a) Should the Board have knowledge of any ground for rejecting any application claim not involved in the judgment of the interference, it may include in its decision a recommended rejection of the claim. Upon resumption of *ex parte* prosecution of the application, the examiner shall be bound by the recommendation and shall enter and maintain the recommended rejection unless an amendment or showing of facts not previously of record is filed which, in the opinion of the examiner, overcomes the recommended rejection.

(b) Should the Board have knowledge of any ground for reexamination of a patent involved in the interference as to a patent claim not involved in the judgment of the interference, it may include in its decision a recommendation to the Commissioner that the patent be reexamined. The Commissioner will determine whether reexamination will be ordered.

(c) The Board may make any other recommendation to the examiner or the Commissioner as may be appropriate.

§ 1.660 Notice of reexamination, reissue, protest, or litigation.

(a) When a request for reexamination of a patent involved in an interference is filed, the patent owner shall notify the Board within 10 days of receiving notice that the request was filed.

(b) When an application for reissue is filed by a patentee involved in an interference, the patentee shall notify the Board within 10 days of the day the application for reissue is filed.

(c) When a protest under § 1.291 is filed against an application involved in an interference, the applicant shall notify the Board within 10 days of receiving notice that the protest was filed.

(d) A party in an interference shall notify the Board promptly of any litigation related to any patent or application involved in an interference, including any civil action commenced under 35 U.S.C. § 146.

§ 1.661 Termination of interference after judgment.

After a final decision is entered by the Board, an After a final decision is entered by the Board, an interference is considered terminated when no appeal (35 U.S.C. § 141) or other review (35 U.S.C. § 146) has been or can be taken or had.

§ 1.662 Request for entry of adverse judgment; reissue filed by patentee.

(a) A party may, at any time during an interference, request and agree to entry of an adverse judgment. The filing by an applicant or patentee of a written disclaimer of the invention defined by a count, concession of priority or unpatentability of the subject matter of a count, abandonment of the invention defined by a count, or abandonment of the contest as to a count will be treated as a request for entry of an adverse judgment against the applicant or patentee as to all claims which correspond to the count. Abandonment of an application by an applicant, other than an applicant for reissue having a claim of the patent sought to be reissued involved in the interference, will be treated as a request for entry of an adverse judgment against the applicant as to all claims corresponding to all counts. Upon the filing by a party of a request for entry of an adverse judgment, the Board may enter judgment against the party.

(b) If a patentee involved in an interference files an application for reissue during the interference and omits all claims of the patent corresponding to the counts of the interference for the purpose of avoiding the interference, judgment may be entered against the patentee. A patentee who files an application for reissue other than for the purpose of avoiding the interference shall timely file a preliminary motion under § 1.633(h) or show good cause why the motion could not have been timely filed.

(c) The filing of a statutory disclaimer under 35 U.S.C. § 253 by a patentee will delete any statutorily disclaimed claims from being involved in the interference. A statutory disclaimer will not be treated as a request for entry of an adverse judgment against the patentee unless it results in the deletion of all patent claims corresponding to a count.

§ 1.663 Status of claim of defeated applicant after interference.

Whenever an adverse judgment is entered as to a count against an applicant from which no appeal (35 U.S.C. § 141) or other review (35 U.S.C. § 146) has been or can be taken or had, the claims of the application corresponding to the count stand finally disposed of without further action by the examiner. Such claims are not open to further *ex parte* prosecution.

§ 1.664 Action after interference.

(a) After termination of an interference, the examiner will promptly take such action in any application previously involved in the interference as may be necessary. Unless entered by order of an examiner-in-chief, amendments presented during the interference shall not be entered, but may be subsequently presented by the applicant subject to the provisions of this part provided prosecution of the application is not otherwise closed.

(b) After judgment, the application of any party may be held subject to further examination, including an interference with another application.

§ 1.665 Second interference.

A second interference between the same parties will not be declared upon an application not involved in an earlier interference for an invention defined by a count of the earlier interference. See § 1.658(c).

§ 1.666 Filing of interference settlement agreements.

(a) Any agreement or understanding between parties to an interference, including any collateral agreements referred to therein, made in connection with or in contemplation of the termination of the interference, must be in writing and a true copy thereof must be filed before the termination of the interference (§ 1.661) as between the parties to the agreement or understanding.

(b) If any party filing the agreement or understanding under paragraph (a) of this section so requests, the copy will be kept separate from the file of the interference, and made available only to Government agencies on written request, or to any person upon petition accompanied by the fee set forth in § 1.17(i) and on a showing of good cause.

(c) Failure to file the copy of the agreement or understanding under paragraph (a) of this section will render permanently unenforceable such agreement or understanding and any patent of the parties involved in the interference or any patent subsequently issued on any application of the parties so involved. The Commissioner may, however, upon petition accompanied by the fee set forth in § 1.17(h) and on a showing of good cause for failure to file within the time prescribed, permit the filing of the agreement or understanding during the six month period subsequent to the termination of the interference as between the parties to the agreement or understanding.

§ 1.671 Evidence must comply with rules.

(a) Evidence consists of testimony and exhibits, official records and publications filed under § 1.682, evidence from another interference, proceeding, or action filed under § 1.683, and discovery relied upon under § 1.688, and the specification (including claims) and drawings of any application or patent:

(1) Involved in the interference.

(2) To which a party has been accorded benefit in the notice declaring the interference or by a preliminary motion granted under § 1.633.

(3) For which a party has sought, but has been denied, benefit by a preliminary motion under § 1.633.

(4) For which benefit was rescinded by a preliminary motion granted under § 1.633.

(b) Except as otherwise provided in this part, the Federal Rules of Evidence shall apply to interference proceedings. Those portions of the Federal Rules of Evidence relating to criminal actions, juries, and other matters not relevant to interferences shall not apply.

(c) Unless the context is otherwise clear, the following terms of the Federal Rules of Evidence shall be construed as follows:

(1) "Courts of the United States," "U.S. Magistrate," "court," "trial court," or "trier of fact" means examiner-in-chief or Board as may be appropriate.

(2) "Judge" means examiner-in-chief.

(3) "Judicial notice" means official notice.

(4) "Civil action," "civil proceeding," "action," or "trial," mean interference.

(5) "Appellate court" means United States Court of Appeals for the Federal Circuit or a United States district court when judicial review is under 35 U.S.C. § 146.

(6) "Before the hearing" in Rule 703 means before giving testimony by oral deposition or affidavit.

(7) "The trial or hearing" in Rules 803(24) and 804(5) means the taking of testimony by oral deposition.

(d) Certification is not necessary as a condition to admissibility when the record is a record of the Patent and Trademark Office to which all parties have access.

(e) A party may not rely on an affidavit filed by that party during *ex parte* prosecution of an application, an affidavit under § 1.608(b), or an affidavit under § 1.639(b) unless (1) a copy of the affidavit is or has been served and (2) a written notice is filed prior to the close of the party's relevant testimony period stating that the party intends to rely on the affidavit. When proper notice is given under this paragraph, the affidavit shall be deemed filed under § 1.672(b). A copy of the affidavit shall be included in the record (§ 1.653).

(f) The significance of documentary and other exhibits shall be discussed with particularity by a witness during oral deposition or in an affidavit.

(g) A party must file a motion (§ 1.635) seeking permission from an examiner-in-chief prior to taking testimony or seeking

documents or things under 35 U.S.C. § 24. The motion shall describe the general nature and the relevance of the testimony, document, or thing.

(h) Evidence which is not taken or sought and filed in accordance with this subpart shall not be admissible.

§ 1.672 Manner of taking testimony.

(a) Testimony of a witness may be taken by oral deposition or affidavit in accordance with this subpart.

(b) A party wishing to take the testimony of a witness whose testimony will not be compelled under 35 U.S.C. § 24 may elect to present the testimony of the witness by affidavit or deposition. A party electing to present testimony of a witness by affidavit shall, prior to the close of the party's relevant testimony period, file and serve an affidavit of the witness or, where appropriate, a notice under § 1.671(e). To facilitate preparation of the record (§ 1.653(g) and (h)), a party should file an affidavit on paper which is 8-1/2 by 11 inches (21.8 by 27.9 cm). A party shall not be entitled to rely on any document referred to in the affidavit unless a copy of the document is filed with the affidavit. A party shall not be entitled to rely on any thing mentioned in the affidavit unless the opponent is given reasonable access to the thing. A thing is something other than a document. After the affidavit is filed and within a time set by an examiner-in-chief, any opponent may file a request to cross-examine the witness on oral deposition. If any opponent requests cross-examination of an affiant, the party shall notice a deposition under § 1.673(e) for the purpose of cross-examination by any opponent. Any redirect and recross shall take place at the deposition. At any deposition for the purpose of cross-examination of a witness whose testimony is presented by affidavit, the party shall not be entitled to rely on any document or thing not mentioned in one or more of the affidavits filed under this paragraph, except to the extent necessary to conduct proper redirect. A party electing to present testimony of a witness by deposition shall notice a deposition of the witness under § 1.673(a). The party who gives notice of a deposition shall be responsible for obtaining a court reporter and for filing a certified transcript of the deposition as required by § 1.676.

(c) A party wishing to take the testimony of a witness whose testimony will be compelled under 35 U.S.C. § 24 must first obtain permission from an examiner-in-chief under § 1.671(g). If permission is granted, the party shall notice a deposition of the witness under § 1.673 and may proceed under 35 U.S.C. § 24. The testimony of the witness shall be taken on oral deposition.

(d) Notwithstanding the provisions of this subpart, if the parties agree in writing, a deposition may be taken before any person authorized to administer oaths, at any place, upon any notice, and in any manner, and when so taken may be used like other depositions.

(e) If the parties agree in writing, the testimony of any witness may be submitted in the form of an affidavit without opportunity for cross-examination. The affidavit of the witness shall be filed in the Patent and Trademark Office.

(f) If the parties agree in writing, testimony may be submitted in the form of an agreed statement setting forth (1) how a particular witness would testify if called or (2) the facts in the case of one or more of the parties. The agreed statement shall be filed in the Patent and Trademark Office. See § 1.653(a).

§ 1.673 Notice of examination of witness.

(a) A party electing to take testimony of a witness by deposition shall, after complying with paragraphs (b) and (g) of this section, file and serve a single notice of deposition stating the time and place of each deposition to be taken. Depositions may be noticed for a reasonable time and place in the United States. Unless the parties agree in writing, a deposition may not be noticed for any other place without approval of an examiner-in-chief (see § 1.684). The notice shall specify the name and address of each witness and the general nature of the testimony to be given by the witness. If the name of a witness is not known, a general description sufficient to identify the witness or a particular class or group to which the witness belongs may be given instead.

(b) Unless the parties agree otherwise, a party shall serve, but not file, at least three days prior to the conference required by paragraph (g) of this section, if service is made by hand or

"Express Mail," or at least ten days prior to the conference if service is made by any other means, the following:

(1) A list and copy of each document in the party's possession, custody, or control and upon which the party intends to rely at any deposition and

(2) A list of and a proffer of reasonable access to things in the party's possession, custody, or control and upon which the party intends to rely at any deposition.

(c) A party shall not be permitted to rely at any deposition on any witness not listed in the notice, or any document not served or any thing not listed as required by paragraph (b) of this section, (1) unless all opponents agree in writing or on the record to permit the party to rely on the witness, document, or thing or (2) except upon a motion (§ 1.635) promptly filed which is accompanied by any proposed notice, additional documents, or lists and which shows sufficient cause why the notice, documents, or lists were not served in accordance with this section.

(d) Each opposing party shall have a full opportunity to attend a deposition and cross-examine. If an opposing party attends a deposition of a witness not named in a notice and cross-examines the witness or fails to object to the taking of the deposition, the opposing party shall be deemed to have waived any right to object to the taking of the deposition for lack of proper notice.

(e) A party electing to present testimony by affidavit and who is required to notice depositions for the purpose of cross-examination under § 1.672(b), shall, after complying with paragraph (g) of this section, file and serve a single notice of deposition stating the time and place of each cross-examination deposition to be taken.

(f) The parties shall not take depositions in more than one place at the same time or so nearly at the same time that reasonable opportunity to travel from one place of deposition to another cannot be had.

(g) Before serving a notice of deposition and after complying with paragraph (b) of this section, a party shall have an oral conference with all opponents to attempt to agree on a mutually acceptable time and place for conducting the deposition. A certificate shall appear in the notice stating that the oral conference took place or explaining why the conference could not be had. If the parties cannot agree to a mutually acceptable place and time for conducting the deposition at the conference, the parties shall contact an examiner-in-chief who shall then designate the time and place for conducting the deposition.

(h) A copy of the notice of deposition shall be attached to the certified transcript of the deposition filed under § 1.676(a).

§ 1.674 Persons before whom depositions may be taken.

(a) Within the United States or a territory or insular possession of the United States a deposition shall be taken before an officer authorized to administer oaths by the laws of the United States or of the place where the examination is held.

(b) Unless the parties agree in writing, the following persons shall not be competent to serve as an officer: (1) a relative or employee of a party, (2) a relative or employee of an attorney or agent of a party, or (3) a person interested, directly or indirectly, in the interference either as counsel, attorney, agent, or otherwise.

§ 1.675 Examination of witness, reading and signing transcript of deposition.

(a) Each witness before giving an oral deposition shall be duly sworn according to law by the officer before whom the deposition is to be taken.

(b) The testimony shall be taken in answer to interrogatories with any questions and answers recorded in their regular order by the officer or by some other person, who shall be subject to the provisions of § 1.674(b), in the presence of the officer unless the presence of the officer is waived on the record by agreement of all parties.

(c) All objections made at the time of the deposition to the qualifications of the officer taking the deposition, the manner of taking it, the evidence presented, the conduct of any party, or any other objection to the proceeding shall be noted on the record by the officer. Evidence objected to shall be taken subject to any objection.

(d) Unless the parties agree in writing or waive reading and signature by the witness on the record at the deposition, when the testimony has been transcribed a transcript of the deposition shall be read by the witness and then signed by the witness in the form of (1) an affidavit in the presence of any notary or (2) a declaration.

§ 1.676 Certification and filing by officer, marking exhibits.

(a) The officer shall prepare a certified transcript of the deposition by attaching to a transcript of the deposition a copy of the notice of deposition, any exhibits to be annexed to the certified transcript, and a certificate signed and sealed by the officer and showing:

(1) The witness was duly sworn by the officer before commencement of testimony by the witness.

(2) The transcript is a true record of the testimony given by the witness.

(3) The name of the person by whom the testimony was recorded and, if not recorded by the officer, whether the testimony was recorded in the presence of the officer.

(4) The presence or absence of any opposing party.

(5) The place where the deposition was taken and the day and hour when the deposition began and ended.

(6) The officer is not disqualified under § 1.674.

(b) If the parties waived any of the requirements of paragraph (a) of this section, the certificate shall so state.

(c) The officer shall note on the certificate the circumstances under which a witness refuses to sign a transcript.

(d) Unless the parties agree otherwise in writing or on the record at the deposition, the officer shall securely seal the certified transcript in an envelope endorsed with the style of the interference (e.g., *Smith v. Jones*), the interference number, the name of the witness, and the date of sealing and shall promptly forward the envelope to BOX INTERFERENCE, Commissioner of Patents and Trademarks, Washington, D.C. 20231. Documents and things produced for inspection during the examination of a witness, shall, upon request of a party, be marked for identification and annexed to the certified transcript, and may be inspected and copied by any party, except that if the person producing the documents and things desires to retain them, the person may (1) offer copies to be marked for identification and annexed to the certified transcript and to serve thereafter as originals if the person affords to all parties fair opportunity to verify the copies by comparison with the originals or (2) offer the originals to be marked for identification, after giving to each party an opportunity to inspect and copy them, in which event the documents and things may be used in the same manner as if annexed to the certified transcript. The exhibits shall then be filed as specified in § 1.653(i). If the weight or bulk of a document or thing shall reasonably prevent the document or thing from being annexed to the certified transcript, it shall, unless waived on the record at the deposition by all parties, be authenticated by the officer and forwarded to the Commissioner in a separate package marked and addressed as provided in this paragraph.

§ 1.677 Form of a transcript of deposition.

(a) A transcript of a deposition must be typewritten on opaque, unglazed, durable paper approximately 8-1/2 by 11 inches (21.8 by 27.9 cm.) in size (letter size). Typing shall be double-spaced on one side of the paper in not smaller than pica-type with a margin of 1-1/2 inches (3.8 cm.) on the left-hand side of the page. The pages must be consecutively numbered throughout the entire record of each party (§ 1.653(d)) and the name of the witness must be typed at the top of each page (§ 1.653(e)). The questions propounded to each witness must be consecutively numbered unless paper with numbered lines is used and each question must be followed by its answer.

(b) Exhibits must be numbered consecutively and each must be marked as required by § 1.653(i).

§ 1.678 Transcript of deposition must be filed.

Unless otherwise ordered by an examiner-in-chief, a certified transcript of a deposition must be filed in the Patent and Trademark Office within 45 days from the date of the deposition. If a

party refuses to file a certified transcript, the examiner-in-chief or the Board may take appropriate action under § 1.616. If a party refuses to file a certified transcript, any opponent may move for leave to file the certified transcript and include a copy of the transcript as part of the opponent's record.

§ 1.679 Inspection of transcript.

A certified transcript filed in the Patent and Trademark Office may be inspected by any party. The certified transcript may not be removed from the Patent and Trademark Office for printing (§ 1.653(g)) unless authorized by an examiner-in-chief upon such terms as may be appropriate.

§ 1.682 Official records and printed publications.

(a) A party may introduce into evidence, if otherwise admissible, any official record or printed publication not identified on the record during the taking of testimony of a witness, by filing a notice offering the official record or publication into evidence. If the evidence relates to the party's case-in-chief, the notice shall be filed prior to close of testimony of the party's case-in-chief. If the evidence relates to rebuttal, the notice shall be filed prior to the close of testimony of the party's case-in-rebuttal. The notice shall (1) identify the official record or printed publication, (2) identify the portion thereof to be introduced into evidence, (3) indicate generally the relevance of the portion sought to be introduced in evidence, and (4), where appropriate, be accompanied by a certified copy of the official record or a copy of the printed publication (§ 1.671(d)).

(b) A copy of the notice, official record, and publication shall be served.

(c) Unless otherwise ordered by an examiner-in-chief, any written objection to the notice or to the admissibility of the official record or printed publication shall be filed within 15 days of service of the notice. See also § 1.656(h).

§ 1.683 Testimony in another interference, proceeding, or action.

(a) Prior to close of a party's appropriate testimony period or within such time as may be set by an examiner-in-chief, a party may file a motion (§ 1.635) for leave to use in an interference testimony of a witness from another interference, proceeding, or action involving the same parties, subject to such conditions as may be deemed appropriate by an examiner-in-chief. The motion shall specify with particularity the exact testimony to be used and shall demonstrate its relevance.

(b) Any objection to the admissibility of the testimony of the witness shall be made in an opposition to the motion. See also § 1.656(h).

§ 1.684 Testimony in a foreign country.

(a) An examiner-in-chief may authorize testimony of a witness to be taken in a foreign country. A party seeking to take testimony in a foreign country shall, prior to the close of the party's appropriate testimony period or within such time as may be set by an examiner-in-chief, file a motion (§ 1.635):

(1) Naming the witness.

(2) Describing the particular facts to which it is expected that the witness will testify.

(3) Stating the grounds on which the moving party believes that the witness will so testify.

(4) Demonstrating that the expected testimony is relevant.

(5) Demonstrating that the testimony cannot be taken in this country at all or cannot be taken in this country without hardship to the moving party greatly exceeding the hardship to which all opposing parties will be exposed by the taking of the testimony in a foreign country.

(6) Accompanied by an affidavit stating that the motion is made in good faith and not for the purpose of delay or harassing any party.

(7) Accompanied by written interrogatories to be asked of the witness.

(b) Any opposition under § 1.638(a) shall state any objection to the written interrogatories and shall include any cross-inter-

rogatories to be asked of the witness. A reply under § 1.638(b) may be filed and shall be limited to stating any objection to any cross-interrogatories proposed in the opposition.

(c) If the motion is granted, the moving party shall be responsible for obtaining answers to the interrogatories and cross-interrogatories before an officer qualified to administer oaths in the foreign country under the laws of the United States or the foreign country. The officer shall prepare a transcript of the interrogatories, cross-interrogatories, and recorded answers to the interrogatories and cross-interrogatories and shall transmit the transcript to BOX INTERFERENCE, Commissioner of Patents and Trademarks, Washington, D.C. 20231, with a certificate signed and sealed by the officer and showing:

(1) The witness was duly sworn by the officer before answering the interrogatories and cross-interrogatories.

(2) The recorded answers are a true record of the answers given by the witness to the interrogatories and cross-interrogatories.

(3) The name of the person by whom the answers were recorded and, if not recorded by the officer, whether the answers were recorded in the presence of the officer.

(4) The presence or absence of any party.

(5) The place, day, and hour that the answers were recorded.

(6) A copy of the recorded answers was read by or to the witness before the witness signed the recorded answers and that the witness signed the recorded answers in the presence of the officer. The officer shall state the circumstances under which a witness refuses to read or sign recorded answers.

(7) The officer is not disqualified under § 1.674.

(d) If the parties agree in writing, the testimony may be taken before the officer on oral deposition.

(e) A party taking testimony in a foreign country shall have the burden of proving that false swearing in the giving of testimony is punishable as perjury under the laws of the foreign country. Unless false swearing in the giving of testimony before the officer shall be punishable as perjury under the laws of the foreign country where testimony is taken, the testimony shall not be entitled to the same weight as testimony taken in the United States. The weight of the testimony shall be determined in each case.

§ 1.685 Errors and irregularities in depositions.

(a) An error in a notice for taking a deposition is waived unless a motion (§ 1.635) to quash the notice is filed as soon as the error is, or could have been, discovered.

(b) An objection to a qualification of an officer taking a deposition is waived unless:

(1) The objection is made on the record of the deposition before a witness begins to testify.

(2) If discovered after the deposition, a motion (§ 1.635) to suppress the deposition is filed as soon as the objection is, or could have been, discovered.

(c) An error or irregularity in the manner in which testimony is transcribed, a certified transcript is signed by a witness, or a certified transcript is prepared, signed, certified, sealed, indorsed, forwarded, filed, or otherwise handled by the officer is waived unless a motion (§ 1.635) to suppress the deposition is filed as soon as the error or irregularity is, or could have been, discovered.

(d) An objection to the competency of a witness, admissibility of evidence, manner of taking the deposition, the form of questions and answers, any oath or affirmation, or conduct of any party at the deposition is waived unless an objection is made on the record at the deposition stating the specific ground of objection. Any objection which a party wishes considered by the Board at final hearing shall be included in a motion to suppress under § 1.656(h).

(e) Nothing in this section precludes taking notice of plain errors affecting substantial rights although they were not brought to the attention of an examiner-in-chief or the Board.

§ 1.687 Additional Discovery.

(a) A party is not entitled to discovery except as authorized in this subpart.

(b) Where appropriate, a party may obtain production of documents and things during cross-examination of an opponent's witness or during the testimony period of the party's case-in-rebuttal.

(c) Upon a motion (§ 1.635) brought by a party within the time set by an examiner-in-chief under § 1.651 or thereafter as authorized by § 1.645 and upon a showing that the interest of justice so requires, an examiner-in-chief may order additional discovery, as to matters under the control of a party within the scope of the Federal Rules of Civil Procedure, specifying the terms and conditions of such additional discovery.

(d) The parties may agree to discovery among themselves at any time. In the absence of an agreement, a motion for additional discovery shall not be filed except as authorized by this subpart.

§ 1.688 Use of discovery.

(a) If otherwise admissible a party may introduce into evidence, an answer to a written request for an admission or an answer to a written interrogatory obtained by discovery under § 1.687 by filing a copy of the request for admission or the written interrogatory and the answer. If the answer relates to a party's case-in-chief, the answer shall be filed prior to the close of testimony of the party's case-in-chief. If the answer relates to the party's rebuttal, the admission or answer shall be filed prior to the close of testimony of the party's case-in-rebuttal. Unless otherwise ordered by an examiner-in-chief, any written objection to the admissibility of an answer shall be filed within 15 days of service of the answer.

(b) A party may not rely upon any other matter obtained by discovery unless it is introduced into evidence under this subpart.

DONALD J. QUIGG,
Acting Commissioner of
Patents and Trademarks.

Nov. 8, 1984.

[1050 OG 385]

(160)

Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 40104-4151]

Patent Interference Proceedings

Agency: Patent and Trademark Office, Commerce.

Action: Final rule; correction.

Summary: This document corrects clerical errors and adds material to the Analysis of Comments in the notice of final rule amending the Patent and Trademark rules of practice in patent interference cases, which were published in the Official Gazette of Jan. 29, 1985 (1050 OG 385 through 440).

For Further Information Contact: Fred E. McKelvey by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box Interference, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Clerical Correction to the Pre-amble

The following corrections are made to the Official Gazette issue of Jan. 29, 1985:

Page 386

1. In the second column, line 32 (the fifth full paragraph, the second sentence) the word "an" is inserted after the word "or"

Page 387

2. In the second column, line 48 (the fifth full paragraph), after the word "agent", the following words "of record" are inserted.

Page 388

3. In the first column, line 29 (the first full paragraph, the third sentence), the words "of an interference" are removed and the words "in an interference" are inserted in their place; in line 39 (the first full paragraph, the last sentence), the words "Federal Rule" are removed and the words "Federal Rules" are inserted in their place; in line 41 (the second full paragraph, the first sentence), the word "provide" is removed and the word "provides" is inserted in its place.

4. In the second column, line 29 (the second full paragraph, the second sentence), the word "defined" is removed and the word "defines" is inserted in its place; in line 45 (the second full paragraph, the last sentence), the spelling of the word "in" is corrected; in line 48 (the last paragraph, the first sentence), the words "one of" are removed and the words "one or" are inserted in their place.

Page 391

5. In the second column, line 59 (the paragraph bridging the third column, the second sentence), quotation marks are placed around the word "lead".

6. In the third column, line 44 (the second full paragraph, the fourth sentence), the article "a" is inserted before the word "sanction".

Page 392

7. In the first column, line 12 (the second full sentence from the top of the page), the word "proposed" is removed; in line 30 (the seventh full sentence from the top of the page), the words "and applicant" are removed and the words "an applicant" are inserted in their place; in line 55 (the first full paragraph, the second sentence), the colon appearing after the word "appropriate" is deleted and a period is inserted in its place.

8. In the third column, line 5, the first letter of the word "while" is capitalized.

Page 394

9. In the second column, line 13 (the first full paragraph, the fourth sentence), the spelling of the word "Consultation" is corrected.

Page 395

10. In the first column, line 44 (the second full paragraph, the last sentence), the spelling of the word "necessary" is corrected; in line 59 (the last paragraph, the first sentence), the spelling of the word "specifies" is corrected.

11. In the second column, line 1, the word "the" is inserted after the word "and"; in line 14 (the first full paragraph, the third sentence), the words "is required" are removed and the words "are required" are inserted in their place.

Page 396

12. In the first column, line 5, the word "of" is removed.

13. In the second column, line 13 (the first full paragraph, the fourth sentence), the word "Claims" is removed and the word "Claim" inserted in its place.

Page 397

14. In the second column, line 2, the words "would be" are removed and the word "is" is inserted in its place; in line 6, the word "intended" is removed and the word "intends" is inserted in its place.

Page 399

15. In the second column, line 41 (the fifth full paragraph), the word "had" is removed and the word "has" is inserted in its place.

16. In the third column, line 37 (the third full paragraph, the last sentence), the comma after the word "language" is removed; in line 38, the comma after the word "affidavit" is removed.

Page 401

17. In the first column, line 11 (the first full paragraph, the first sentence), the words "of sale" are removed and the words "or sale" are inserted in their place.

Page 402

18. In the first column, line 4, the word "over" is removed and the word "of" is inserted in its place.

Page 403

19. In the first column, line 2, the spelling of the word "arguably" is corrected; in line 9, the spelling of the word "definitions" is corrected.

Page 404

20. In the first column, line 18 (the second full paragraph, the fourth sentence), the words "PTO was" are removed and the words "PTO were" are inserted in their place.

21. In the second column, line 26 (the first full paragraph, the fourth sentence), the spelling of the word "under" is corrected.

Page 406

22. In the third column, line 21 (the first full paragraph, the third sentence), a closing quotation mark is placed after the word "opponents's".

Page 407

23. In the first column, line 4 (the first full paragraph, the first sentence), the spelling of the word "suggested" is corrected.

Page 409

24. In the first column, line 21 (the first full paragraph, the third sentence), the words "do not" are inserted after the word "rules".

25. In the third column, line 33 (the first full paragraph, the first sentence), the word "is" is inserted before the word "excluded".

Page 411

26. In the third column, line 26 (the third full paragraph, the third sentence), the word "permitting" is removed and the word "permitted" is inserted in its place.

Page 413

27. In the second column, line 47 (the second full paragraph, the second sentence), the reference to "1.644(b)" should read "1.644(a)(2)".

28. In the third column, line 59 (the last paragraph, the first sentence), the first letter of the word "Interference" is made lower case.

Page 416

29. In the first column, line 1, the word "opponent's" is removed and the word "opponents" is inserted in its place.

30. In the second column, line 40 (the first full paragraph, the second sentence), the reference to "1.662(a)" should read "1.662(a)"; in line 45 (the first full paragraph, the third sentence), the reference to "1.633(d)" should read "1.633(d)".

Page 417

31. In the second column, line 49 (the second full paragraph, the third sentence from the end), quotation marks are placed around the word "things"; in line 55 (the second full paragraph, the last sentence), the word "to" is inserted after the words "should resort".

32. In the third column, line 11 (the first full sentence from the top of the page), the colon after the word "controversy" is removed and a period is inserted in its place; in line 54 (the first

full paragraph, the penultimate sentence), the spelling of the word "appropriate" is corrected.

Page 418

33. In the second column, line 16 (the first full paragraph, the first sentence), the first letter of the word "Commentator's" is made lower case.

Page 419

34. In the table correlating the old rules 37 CFR 1.201 through 1.288 to the new rules 37 CFR 1.601 through 1.688, the following corrections are made to the entries under the section, designated as new:

RULE CORRELATION TABLE

Old	New
1.201(a).....	1.601(i)
1.201(b).....	1.601(i)
1.203(a).....	1.603
1.204(b).....	1.608(a)
1.204(c).....	1.608(b)
1.205(a).....	1.606
1.208.....	1.613(b)
1.216(b).....	1.623(c), 1.624(c), 1.625(c)
1.245.....	1.645(a)
1.246.....	1.645(b)
1.257(b).....	1.658(c)
1.263.....	1.622(c)
1.264.....	1.662(b)
1.271.....	1.671(h)
1.272(b).....	1.672(d)
1.272(c).....	1.672(e), (f)
1.281.....	1.645(a)
1.287(b).....	1.687(b)
1.287(c).....	1.687(c)

Additional Analysis of Comments

Page 404

1. In the second column after the last full paragraph, the following paragraph is added:

An oral comment was received by telephone concerning the declaration of an interference under §§ 1.603 and 1.606 with applications filed under the provisions of 35 U.S.C. 157—Statutory Invention Registration (SIR). Under 35 U.S.C. 157(c), a published SIR has all of the attributes specified for patents except those specified in 35 U.S.C. 183 and 271 to 289. Consequently, interferences will be declared between an application and either an application containing a request for a SIR (37 CFR 1.293) or a published SIR. Until sufficient experience is gained by the PTO, the interference will be conducted by procedure established on a case by case basis.

Page 415

In the second column, after the first full paragraph, the following paragraph is added:

Oral comments have been received by telephone concerning the doctrine of interference estoppel under 37 CFR 1.658(c) with respect to a party's failure to move under 37 CFR 1.633(e) to declare an "additional interference" between an additional application not involved in the interference and owned by the party and an opponent's application or patent involved in the interference on a separate patentable invention. Generally a party will be estopped for failure to move when the separate patentable invention (subject matter) which could have been the subject of the "additional interference" was *claimed* (during the pendency of the interference) (1) in the opponent's involved application or patent or (2) in a non-involved application owned by the party.

The following illustrates the general applicability of interference estoppel in certain situations where a party fails to move under 37 CFR 1.633(e) to declare an "additional interference" on a separate patentable invention.

Party's non-involved application	Opponent's involved application or patent	Estoppel
Claimed	Claimed	Yes
Disclosed	.do	Yes
Claimed	Disclosed	Yes
Disclosed	.do	No

Clerical Corrections to the Rules

1. On page 420 the second column, the amendment to § 1.8, amendatory instruction 4 is corrected by changing "paragraph (a)(xii) to read "paragraph (a)(2)(xii)".

2. On page 421, the second column, in the second sentence of § 1.59, the spelling of the word "required" is corrected and the reference to "§ 1.21(1)" is corrected to read "§ 1.21(f)".

3. On page 423, the third column, § 1.324 is corrected by inserting in the second sentence the article "a" before the word "patent".

4. On page 424, the first column, in § 1.565, in the first sentence of paragraph (b), "in filed" should have read "is filed".

5. On page 425, the first column, the last sentence of § 1.601(i) is corrected by removing the last occurrence of the word "patents" and inserting, in its place, the word "patent".

6. On page 425, the first column, § 1.601(k) is corrected by removing the words "and interference" and inserting, in their place, the words "an interference".

7. On page 425, the second column the second sentence of § 1.601(n) is corrected by removing the words "a invention" and inserting, in their place, the words "an invention".

8. On page 427, the first column, § 1.611(d)(2) is corrected by inserting the word "in" after the word "provided".

9. On page 427, the second column, the reference to "1.608(b)" in the first sentence of §§ 1.612(a), 1.612(b) and 1.612(c) is corrected to read "1.608".

10. On page 427, the third column, the first sentence of § 1.615(a) is corrected by placing in italics the words "ex parte".

11. On page 427, the third column, the second sentence of § 1.616 is corrected by changing to upper case the first letter of the words "holding", "precluding" and "granting" in paragraphs (a) to (e).

12. On page 428, the first column, the first sentence of § 1.617(b) is corrected by removing the first occurrence of the word "any" and inserting, in its place, the word "may".

13. On page 428, the first column, the last sentence of § 1.617(b) is corrected by inserting the words "on each opponent" after the words "shall serve".

14. On page 428, the first column, the last sentence of § 1.617(d) is corrected by removing the words "an oral" and inserting, in their place, the article "a".

15. On page 428, the first column, the last sentence of § 1.617(g) is corrected by removing the word "part" and inserting, in its place, the word "subpart".

16. On page 428, the second column, the second sentence of § 1.621(a) is corrected by inserting the word "by" after the first occurrence of the word "or".

17. On page 428, the second column, the first sentence of § 1.621(b) is corrected by inserting a comma after the first occurrence of word "statement".

18. On page 428, the third column, the first sentence of § 1.624(a) is corrected by removing the semicolon appearing after the word "count" and inserting, in its place, a colon.

19. On page 430, the first column, the last sentence of § 1.631(a) is corrected by removing the words "a party shall serve copies of its preliminary statement on every opponent" and inserting, in their place, the words "a party shall serve a copy of its preliminary statement on each opponent".

20. On page 430, the first column, the heading of § 1.633 is corrected by changing to lower case the first letter of the word "Motions".

21. On page 430, the third column, in § 1.636(b) the reference to "§ 1.633(a), (b), or (g)" is corrected to read "§ 1.633(a), (b), (c)(1), or (g)".

22. On page 431, the second column, in §§ 1.637(d)(2) and 1.637(e)(1)(ii) the reference to "§ 1.608(b)" is corrected to read "§ 1.608".

23. On page 431, the second column, § 1.637(e)(1)(iv) is corrected by removing the words "a claim" and inserting, in their place, the words "any claim".

24. On page 431, the third column, § 1.637(e)(2)(iii) is corrected by removing the first occurrence of the word "party's" and inserting, in its place, the word "party".

25. On page 431, the third column, the second sentence of § 1.637(e)(2)(iv) is corrected by removing the two occurrences of the word "claims" and inserting, in their place, the word "claim".

26. On page 431, the third column, in the first sentence of § 1.637(f)(2), the reference to "§ 1.608(b)" is corrected to read "§ 1.608".

27. On page 432, the first column, § 1.637(h)(3) is corrected by removing the words "a claim" and inserting, in their place, the words "any proposed claim".

28. On page 432, the second column, § 1.640(b)(2) is corrected by removing the words "entered or" and inserting, in their place, the words "entered on".

29. On page 432, the third column, the penultimate sentence of § 1.640(c) is corrected by inserting the article "a" before the words "single examiner-in-chief".

30. On page 432, the third column, § 1.640(d)(1) is corrected by removing the words "all counts" and inserting, in their place, the words "any count".

31. On page 432, the third column, the first sentence of § 1.640(e) is corrected by removing the word "filed" and inserting, in its place, the word "files".

32. On page 433, the second column, § 1.644(i) is corrected by removing the word "petition" and inserting, in its place, "petitions".

33. On page 433, the second column, the first sentence of § 1.645(a) is corrected by inserting the word "or" after "§§ 1.302," and after "§§ 1.303,".

34. On page 433, the third column, in the first sentence of § 1.646(a), the spelling of the word "every" is corrected.

35. On page 433, the third column, § 1.646(c) is corrected by removing the word "part" and inserting, in its place, the word "subpart".

36. On page 434, the third column, § 1.653(c)(5) is corrected by removing the word "an" and inserting, in its place, the word "and".

37. On page 434, the third column, the last sentence of § 1.653(g) is corrected by removing the word "found" and inserting, in its place, the word "bound".

38. On page 435, the first column, the penultimate sentence of § 1.653(i) is corrected by removing the words "and exhibit" and inserting, in their place, the words "an exhibit".

39. On page 436, the third column, the second sentence of § 1.664(a) is corrected by removing the word "part" and inserting, in its place, the word "subpart".

40. On page 437, the first column, the last sentence of § 1.666(c) is corrected by removing the word "Commission" and inserting, in its place, "Commissioner".

41. On page 437, the second column, the first sentence of § 1.671(b) is corrected by removing the word "part" and inserting, in its place, the word "subpart".

42. On page 437, the second column, in the first sentence of § 1.671(e) the reference to "§ 1.608(b)" is corrected to read "§ 1.608".

43. On page 437, the third column, the third sentence of § 1.672(b) is corrected by removing the words "a party shall file" and inserting, in their place, the words "a party should file".

44. On page 438, the third column, in § 1.676(a), the spelling of the third occurrence of the word "transcript" is corrected.

45. On page 440, the first column, the second sentence of § 1.684(c)(6) is corrected by removing the words "a witness refused to read" and inserting, in their place, the words "a witness refuses to read".

46. On page 440, the second column, § 1.685(c) is corrected by inserting the word "or" after the first occurrence of the word "error," and by removing the word "indorsed" and inserting, in its place, the word "endorsed".

DONALD J. QUIGG,

Acting Commissioner of
Patents and Trademarks.

[FR Doc. 85-13077 Filed 5-30-85; 8:45 am]

Billing Code 3510-16-M

[1059 OG 27]

(161) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Part 1
[Docket No. 911188-1288]
RIN: 0651-AA53

Patent Interference Practice

Agency: Patent and Trademark Office, Commerce.

Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office proposes to amend the rules of practice in patent cases, Part 1 of Title 37, Code of Federal Regulations, relating to patent interference proceedings. The proposed changes generally consist of clarifying and house-keeping amendments with respect to patent interference practice, particularly preliminary motions under 37 CFR 1.633.

Dates: Comments must be submitted on or before March 23, 1992. A public hearing will not be held.

Addresses: Address written comments to Box Interference, Commissioner of Patents and Trademarks, Washington, D.C. 20231, marked to the attention of Saul I. Serota.

For Further Information Contact: Saul I. Serota by telephone at 703-557-4072 or Ian A. Calvert at 703-557-4000, or by mail to the attention of either and addressed to Box Interference, Commissioner of Patents and Trademarks, Washington, D.C.

Supplementary Information: Several of the proposed changes are based upon suggestions submitted by the American Intellectual Property Law Association.

(1) Access to Interference Files

Under §1.11(e) it was intended that, once an interference had terminated or an award of priority or judgment had been entered as to all parties and all counts, the file of the interference would then be available to the public if the file of at least one of the cases involved in the interference was open to the public. However, although §1.11(b) provides that the file of a reissue application is open to the public, interferences involving reissue applications were inadvertently not specifically included in §1.11(e). The proposed amendment to §1.11(e) more clearly expresses the practice under current §1.11(e).

(2) Patentability of an Interference Count

As presently written, §1.601(f) states that "A phantom count is not patentable to any party." This language may be construed as meaning that the count need not be patentable over prior art, which is incorrect; as provided in §1.601(i), the parties must be claiming the same patentable invention. The proposed amendment to §1.601(f) would make it clear, consistent with *Case v. CPC International, Inc.*, 730 F.2d 745, 221 USPQ 196 (Fed. Cir.), cert. denied, 469 U.S. 872 (1984), that a phantom count is unpatentable to all parties because no party complies with 35 U.S.C. 112 for that count.

(3) Preliminaries to Interference with a Patent

(A) 35 U.S.C. 135(b) provides:

A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

Under 35 U.S.C. 135(b), an interference should not be instituted with a patent unless the applicant claims the same or substantially the same subject matter as claimed in the patent within one year after the patent issues. See *In re Sasse*, 629 F.2d 675, 207 USPQ 107 (CCPA 1980), and *Parks v. Fine*, 773 F.2d 1577, 227 USPQ 432 (Fed. Cir. 1985), modified, 783 F.2d 1036, 228 USPQ 677 (1986). However, it has been found that there is a tendency to overlook the requirement of 35 U.S.C. 135(b). The proposed amendment to §1.607(a) would reverse this trend by requiring the applicant to explain how the requirements of 35 U.S.C. 135(b) are met whenever the applicant seeks to have an

interference declared between the application and a patent and the claim presented or identified by the applicant under §1.607(a)(4) was not present in the application until more than one year after the issue date of the patent. For example, if an applicant filed an amendment presenting a claim corresponding to a claim of a patent more than one year after the patent issued, the applicant would have to explain in the amendment how one or more of the claims which were in the application prior to expiration of the one-year period was drawn to "substantially the same subject matter" as a claim of the patent.

(B) It is proposed to change present §1.608(a) in two respects. The first change would specify that the effective filing date of the patent is the effective filing date under 35 U.S.C. 120, i.e., in determining whether the patent should be accorded the benefit of a prior application, only a prior United States application, and not a prior foreign application (35 U.S.C. 119), would be considered. This change is desirable to conform the language of paragraph (a) to that of paragraph (b), since the same considerations are applicable to both paragraphs, namely, that under *In re Hilmer*, 359 F.2d 859, 149 USPQ 480 (CCPA 1966), a patent's foreign priority date under 35 U.S.C. 119 does not constitute its effective filing date for reference purposes.

The second proposed change in §1.608(a) would relax the requirement that an affidavit be filed by the applicant, and instead permit the filing of a statement by either the applicant or the applicant's attorney or agent of record. This proposed change would bring the rule into conformity with §1.621(a), which allows an attorney or agent of record to sign a preliminary statement.

(4) Notice of Intent to Arouse Abandonment, Suppression or Concealment

Present §1.632 provides that a notice of intent to argue abandonment, suppression or concealment is timely when filed "within ten (10) days of the close of the testimony-in-chief of the opponent." Section 1.632 may be interpreted as requiring that the notice be filed either ten days before or ten days after the close of the testimony. The proposed change would make clear that the ten-day period runs for ten days after the opponent's testimony-in-chief closes.

(5) Preliminary Motions

(A) It is proposed to amend §1.633(a) to incorporate the substance of the Notice of August 10, 1990, by the Chairman of the Board of Patent Appeals and Interferences entitled "Interferences - Preliminary Motions for Judgment", and published at 1118 Off. Gaz. Pat. Off. 19 (September 11, 1990). The Notice deals with the procedure to be followed when a party to an interference files a motion for judgment on the ground of unpatentability over prior art and the dates of the cited prior art, relative to the effective filing dates of the applications and/or patents involved in the interference, are such that the prior art would appear to apply to the moving party. In such a case, if the motion does not contain an explanation as to why the prior art would not be applicable to the movant, the Notice provides that the examiner-in-chief will send a letter to the moving party (a) informing the movant that the prior art appears to be applicable against him/her, (b) setting a time period for the movant to provide an explanation as to why the prior art does not apply to him/her, and (c) stating that unless a sufficient explanation (and evidence if appropriate) is filed within the time set, the movant will not be permitted to rely on any such explanation (and evidence) in response to or in any subsequent action in the interference.

The purpose of the proposed amendment to §1.633(a) is to eliminate the necessity for the examiner-in-chief to send a letter to the moving party, and the resulting delay. Under proposed §1.633(a), the burden would be placed on the moving party to include with the motion itself a sufficient explanation of why the prior art would not be applicable to him/her. If no explanation was provided, or the explanation was insufficient, the moving party would be placed in the same position as a moving party who, under current practice as specified in the Notice, provides no explanation or an insufficient explanation in response to the examiner-in-chief's letter, i.e., the moving party would not be permitted to rely on any later-submitted explanation, or evi-

dence, in response to or in any subsequent action in the interference.

The following examples illustrate the operation of the proposed rule:

Example 1. Party A files a motion for judgment against Party B on the basis of a reference which antedates Party A's own effective filing date, and does not include with the motion an explanation of why the reference does not apply to Party A. If the examiner-in-chief grants the motion and finds that the claims of the parties corresponding to the count are unpatentable, he/she will issue an order to show cause under §1.640 against Parties A and B. Any showing or motion for a testimony period under §1.651(c)(4) which Party A files in response to the order to show cause may not be based on reasons which could have been, but were not, given with the motion in explanation of why the reference would not apply to Party A.

Example 2. Party A files a motion for judgment against Party B based on a reference which antedates Party A's effective filing date by less than a year, and which is antedated by the date of first actual reduction to practice alleged in Party A's preliminary statement (§1.623). Party A explains in the motion that the reference does not apply to him/her in view of the dates alleged in Party A's preliminary statement. If the examiner-in-chief finds that the claims of the parties corresponding to the count are unpatentable over the reference and grants the motion, he/she will issue an order to show cause under §1.640 against Parties A and B. In response to the order to show cause, Party A could file a motion to take testimony in accordance with the allegations in its preliminary statement in order to antedate the reference, as well as to prove priority of invention.

(B) Section 1.633(e), if amended as proposed, would permit a party to file a preliminary motion to declare an additional interference between a patent owned by a party but not involved in the interference and an opponent's application involved in the interference. This would permit a party to seek an additional interference directly between a patent commonly owned by the party and an opponent's application, rather than having to file a reissue application in order to be able to bring the motion under the present rule.

(C) Section 1.633(i), if amended as proposed, would provide a party-patentee opposing a motion for judgment (§1.633(a) or (b)) or a motion attacking the party's benefit (§1.633(g)) the option of moving under §1.633(h) to add to the interference an application or reissue of the party's involved patent. This would give the patentee an option similar to that afforded a party-applicant in the same situation, i.e., the patentee could attempt to change the patent claims by way of reissue in order to avoid the grounds on which the motion under §1.633(a), (b) or (g) is based.

(D) The proposed changes in §1.637(c)(2)(ii) and (iii) would clarify the language of these two paragraphs and are self-explanatory.

(E) When a party files a preliminary motion to add or substitute a count under §1.633(c)(1), to substitute a different application under §1.633(d), or to declare an additional interference under §1.633(e), the moving party must also file a motion under §1.633(f) for benefit of the filing date of a prior application if the party wishes to be accorded such benefit. See §§1.637(c)(1)(vi), (d)(4), (e)(1)(viii) and (e)(2)(vii). However, if the party's opponent was accorded benefit of a prior application in the notice of declaration of the interference (§1.611(c)(5)), confusion has arisen as to whether the opponent will automatically be accorded benefit if the motion under §1.633(c)(1), (d) or (e) is granted, or whether the opponent must file a motion under §1.633(f) in order to be accorded such benefit. In the latter case, filing of the motion for benefit by the opponent tends to cause further delay in resolution of the interference.

The proposed amendment of §1.637, by adding paragraphs (c)(1)(vii), (d)(5), (e)(1)(ix) and (e)(2)(viii), would address this problem by providing, in substance, that for motions under §1.633(c)(1), (d) or (e), an opponent who has been accorded the benefit of the filing date of an earlier application in the notice of declaration of the interference will be presumed to be entitled to such benefit if the motion is granted unless the moving party shows why the opponent should not be so entitled.

(F) It is proposed that paragraphs (c)(2)(iv) and (c)(3)(iii) of §1.637 be deleted. These paragraphs require that a preliminary motion to amend or add an application claim (§1.633(c)(2)), or to designate an application or patent claim to correspond to a

count (§1.633(c)(3)), be accompanied by a motion under §1.633(f) requesting the benefit of a prior application. This requirement is, however, unnecessary in the case of motions under §1.633(c)(2) or (3), because the question of whether a party should be accorded benefit of a prior application for priority purposes is determined by reference to whether the prior application supports an embodiment within the count. *Weil v. Fritz*, 572 F.2d 856, 865-66 n.16, 196 USPQ 600, 608 n.16 (CCPA 1978). Motions under §1.633(c)(2) or (3), which concern only the claims and do not affect the count, would have no effect on a party's entitlement to benefit of a prior application even if they were granted.

(6) Content of the Record

Paragraph (c)(5) of §1.653 currently requires that the record filed by each party include each notice, official record, and publication relied upon by the party and filed under §1.682(a). This requirement is considered unnecessary, since such notices, official records and printed publications are in the nature of exhibits, which are not included in the record under §1.653(c). Their inclusion in the record merely increases the size of the record without serving any useful purpose. It is therefore proposed that §1.653(c)(5) be deleted, and paragraphs (c)(6) and (c)(7) be renumbered as (c)(5) and (c)(6), respectively.

(7) Failure of the Junior Party to Timely File an Opening Brief

Under the provisions of §1.656(i), if a junior party fails to timely file an opening brief for final hearing, an order may be issued by the examiner-in-chief requiring the junior party to show cause why the failure to file the brief should not be treated as a concession of priority. Currently, §1.656(i) further states that judgment may be entered against the junior party if the junior party "fails to respond" within a time period set in the order. The expression "fails to respond" has been interpreted by some junior parties as meaning that the mere filing of a response of any kind to the order to show cause should be sufficient to avoid the entry of judgment. Such an interpretation was not intended, and if adopted would effectively negate §1.656(i). In order to make clear that a junior party's failure to file a timely opening brief will not be excused unless sufficient cause is shown to explain or justify the failure, it is proposed to amend §1.656(i) by changing "respond" to "show good cause." The language of the rule will then be consistent with other interference rules dealing with orders to show cause, e.g., §§1.640(e) and 1.652.

Other Considerations:

The proposed rule changes will not have a significant impact on the quality of the human environment or conservation of energy resources. The proposed rule changes are in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)), because they are primarily intended to simplify by clarification and amplification certain rules governing the conduct of an interference.

The Patent and Trademark Office has determined that these proposed rule changes are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These rule changes will not impose any additional burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., however, they do involve a paperwork burden currently

approved by the Office of Management and Budget under control number 0651-0011.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Inventions and patents.

Notice is hereby given that, pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, the Patent and Trademark Office proposes to amend Title 37 of the Code of Federal Regulations as set forth below. Deletions are indicated by brackets and additions by arrows.

PART 1-RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.11 is proposed to be amended by revising paragraph (e) to read as follows:

§1.11 Files open to the public.

(e) The file of any interference involving a patent, a statutory invention registration, ►a reissue application, ◄ or an application on which a patent has been issued or which has been published as a statutory invention registration, is open to inspection by the public, and copies may be obtained upon paying the fee therefor, if: (1) the interference has terminated, or (2) an award of priority or judgment has been entered as to all parties and all counts.

3. Section 1.601(f) is proposed to be amended by revising interdictor text.

(F) revised to read as follows:

§1.601 Scope of rules, definitions.

This subpart governs the procedure in patent interferences in the Patent and Trademark Office. This subpart shall be construed to secure the just, speedy, and inexpensive determination of every interference. For the meaning of terms in the Federal Rules of Evidence as applied to interferences, see §1.671(c). Unless otherwise clear from the context, the following definitions apply to this subpart:

(f) A "count" defines the interfering subject matter between (1) two or more applications or (2) one or more applications and one or more patents. When there is more than one count, each count shall define a separate patentable invention. Any claim of an application or patent which corresponds to a count is a claim involved in the interference within the meaning of 35 U.S.C. 135(a). A claim of a patent or application which is identical to a count is said to "correspond exactly" to the count. A claim of a patent or application which is not identical to a count, but which defines the same patentable invention as the count, is said to "correspond substantially" to the count. When a count is broader in scope than all claims which correspond to the count, the count is a "phantom count." A phantom count is [not patentable to any party] ►unpatentable to all parties under 35 U.S.C. 112. ◄

4. Section 1.607 is proposed to be amended by adding new paragraph (a)(6) as follows:

§1.607 Request by applicant for interference with patent.

(a) * * *

(6) Explaining how the requirements of 35 U.S.C. 135(b) ►are met, if the claim presented or identified under paragraph (a)(4) of this section was not present in the application until more than one year after the issue date of the patent. ◄

5. Section 1.608 is proposed to be amended by revising paragraph (a) to read as follows:

§1.608 Interference between an application and a patent; prima facie showing by applicant.

(a) When the earlier of the filing date or effective filing date of an application is three months or less after the earlier of the filing date or effective filing date under 35 U.S.C. 120 of a patent, [the applicant,] before an interference will be declared, either the applicant or the applicant's attorney or agent of record shall file [an affidavit] a statement alleging that there is a basis upon which the applicant is entitled to a judgment relative to the patentee.

6. Section 1.632 is proposed to be revised to read as follows:

§1.632 Notice of intent to argue abandonment, suppression or concealment by opponent.

A notice shall be filed by party who intends to argue that an opponent has abandoned, suppressed or concealed an actual reduction to practice (35 U.S.C. 102(g)). A party will not be permitted to argue abandonment, suppression, or concealment by an opponent unless the notice is timely filed. Unless authorized otherwise by an examiner-in-chief, a notice is timely when filed within ten (10) days after [of] the close of the testimony-in-chief of the opponent.

7. Section 1.633 is proposed to be amended by revising paragraphs (a), (e) and (i) to read as follows:

§1.633 Preliminary motions.

A party may file the following preliminary motions:

(a) A motion for judgment on the ground that an opponent's claim corresponding to a count is not patentable to the opponent. In determining a motion filed under this paragraph, a claim may be construed by reference to the prior art of record. A motion under this paragraph shall not be based on: (1) Priority of invention of the subject matter of a count by the moving party as against any opponent or (2) derivation of the subject matter of a count by an opponent from the moving party. See §1.637(a). If a party files a motion for judgment under this paragraph on the ground of unpatentability over prior art, and the dates of the cited prior art are such that it would appear to be applicable to the moving party, it will be presumed, without regard to the dates alleged in the preliminary statement of the moving party, that the cited prior art is applicable to the moving party unless there is included with the motion a sufficient explanation, and evidence if appropriate, as to why the prior art would not apply to the movant. If no such explanation, or an insufficient explanation, is provided with the motion, the movant will not be permitted to rely on any such explanation, or evidence, in response to or in any subsequent action in the interference.

(e) A motion to declare a additional interference (1) between an additional application not involved in the interference and owned by a party and an opponent's application or patent involved in the interference, (2) between a patent not involved in the interference and owned by a party and an opponent's application involved in the interference, or [(2)] (3) when an interference involves three or more parties, between less than all applications and any patent involved in the interference. See §1.637(a) and (e).

(i) When a motion is filed under paragraph (a), (b), or (g) of this section, an opponent, in addition to opposing the motion, may file a motion to redefine the interfering subject matter under paragraph (c) of this section [or] a motion to substitute a different application under paragraph (d) of this section, or a

motion to add a reissue application to the interference under paragraph (h) of this section.

8. Section 1.637 is proposed to be amended by revising paragraphs (c)(2)(ii) and (iii); adding paragraphs (c)(1)(vii), (d)(5), (e)(1)(ix) and (e)(2)(viii); and deleting paragraphs (c)(2)(iv) and (c)(3)(iii), as follows:

§1.637 Content of motions.

(c) * * *

(1) * * *

(vii) If an opponent is accorded the benefit of the filing date of an earlier application in the notice of declaration of the interference, show why the opponent is not entitled to its benefit. Otherwise, the opponent will be presumed to continue to be entitled to the benefit of the earlier application with respect to the proposed count.

(2) * * *

(ii) Show that the claim proposed to be amended or added [claim] defines the same patentable invention as the count.

(iii) Show the patentability to the applicant of each claim proposed to be amended or [added] each claim proposed to be added, and apply the terms of the claim proposed to be amended or [added] claim proposed to be added to the disclosure of the application; when necessary a moving party applicant shall file with the motion [an] a proposed amendment [making the amended] to the application amending the claim corresponding to the count or [added] adding the proposed additional claim to the application.

[(iv) Be accompanied by a motion under §1.633(f) requesting the benefit of the filing date of any earlier application filed in the United States or abroad.]

(3) * * *

[(iii) Be accompanied by a motion under §1.633(f) requesting the benefit of the filing date of any earlier application filed in the United States or abroad.]

(d) * * *

(5) If an opponent is accorded the benefit of the filing date of an earlier application in the notice of declaration of the interference, show why the opponent is not entitled to its benefit. Otherwise, the opponent will be presumed to continue to be entitled to the benefit of the earlier application.

(e) * * *

(1) * * *

(ix) If an opponent is accorded the benefit of the filing date of an earlier application in the notice of declaration of the interference, show why the opponent is not entitled to its benefit. Otherwise, the opponent will be presumed to continue to be entitled to the benefit of the earlier application with respect to the proposed count.

(2) * * *

(viii) If an opponent is accorded the benefit of the filing date of an earlier application in the notice of declaration of the interference, show why the opponent is not entitled to its benefit. Otherwise, the opponent will be presumed to continue to be entitled to the benefit of the earlier application with respect to the proposed count.

9. Section 1.653 is proposed to be amended by deleting paragraphs (c)(5) and renumbering paragraphs (c)(6) and (c)(7), as follows:

§1.653 Record and exhibits.

(c) ***

[(5) Each notice, official record, and publication relied upon by the party and filed under §1.682(a).]

►(5)◄[(6)] Any evidence from another interference, proceeding, or action relied upon by the party under §1.683.

►(6)◄[(7)] Each request for an admission and the admission and each written interrogatory and the answer upon which a party intends to rely under §1.688.

10. Section 1.656 is proposed to be amended by revising paragraph (i) as follows:

§1.656 Briefs for final hearing.

(i) When a junior party fails to timely file an opening brief, an order may issue requiring the junior party to show cause why the Board should not treat failure to file the brief as a concession of priority. If the junior party fails to [respond] ►show good cause◄ within a time period set in the order, judgment may be entered against the junior party.

Jan. 14, 1992

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1135 OG 37]

(162) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Part 1
[Docket No. 910514-1195]
[RIN: 0651-AA49]

Patent Interference Proceedings

Agency: Patent and Trademark Office, Commerce.

Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is amending its rules of practice in patent interference cases. The U.S. District Court for the District of Columbia recently decided *Kochler v. Mustonen*, Civil Action No. 90-1074 (D.D.C. Apr. 23, 1991). The District Court held that PTO practice regarding taking of testimony abroad was not clear. PTO rules require that a testimony period be set. The rules also require that testimony be taken during the testimony period. Rule 684 authorizes testimony to be taken abroad. However, rule 684 requires that a motion be filed for leave to take testimony abroad and that the motion be filed before the close of a party's testimony period. The District Court suggested that a motion to take testimony abroad, filed in PTO on the last day of the testimony period, could be considered timely even though taking of the testimony might occur after the testimony period. By this amendment, PTO will continue to authorize the filing of a motion to take testimony abroad. However, a party will have to file the motion within a time such that the testimony can be taken during the testimony period set under PTO rule 651.

Effective Date: Sept. 27, 1991

For Further Information Contact: Fred E. McKelvey by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, DC 20231.

Supplementary Information: The PTO conducts interference proceedings to determine who as between two or more applicants for patent or one or more applicants and one or more patentees is the first inventor of a patentable invention. As part of its proofs in an interference, a party may request leave to take testimony abroad. 37 CFR §1.684 (1990).

The U.S. District Court for the District of Columbia recently decided *Kochler v. Mustonen*, Civil Action No. 90-1074 (D.D.C. Apr. 23, 1991). The District Court held that PTO practice regarding taking of testimony abroad was not clear. PTO rule 651 (37 CFR §1.651 (1990)) requires that a testimony period be set. Rule 651 also requires that testimony be taken during the testimony period. Rule 684 (37 CFR §1.684 (1990)) authorizes testimony to be taken abroad. However, rule 684 requires that a motion be filed for leave to take testimony abroad and that the motion be filed before the close of a party's testimony period. The District Court suggested that a motion to take testimony abroad, filed in PTO on the last day of the testimony period, could be considered timely even though taking of the testimony might occur after the testimony period.

In a notice of proposed rule making published in the *FEDERAL REGISTER* on June 12, 1991 56 FR 26949, paragraphs (a) and (d) of rule 651 and rule 684 were proposed to be revised to require a party to file the motion to take testimony abroad within a time such that the testimony could be taken during the testimony period set under PTO rule 651.

One written comment was submitted by a Chief Executive Officer who stated his support of the proposed amendment. An attorney commented that the proposed amendment of §1.684 appeared to foreclose the taking of testimony beyond any original time set under §1.651. The attorney suggested language be added to paragraph (c) stating the alternative that testimony abroad must be completed within the time set under §1.651 or by the Examiner-in-Chief. This suggestion has been adopted.

Other Considerations: The rule changes are in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et. seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et. seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these changes is to clarify the need for taking testimony abroad during the testimony period. The rule changes include no additional or increased fees. Substantive rights are not adversely affected.

The Office has determined that these rule changes are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. Because most of the changes do not change burdens, there will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The rule change will not impose any additional burden under the paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The Office has also determined that this rule change has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Courts, Inventions and patents.

For the reasons set forth in the preamble and pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 135, the PTO is amending 37 CFR part 1 as follows:

Part 1—Rules of Practice in Patent Cases

1. The authority citation for 37 CFR part 1, Suspart E, continues to read as follows:

Authority: 35. U.S.C. 6, 23, 41 and 135.

2. Section 1.651 is revised as follows:
§1.651 Setting times for discovery and taking testimony, parties entitled to take testimony.

(a) At an appropriate stage in an interference, an examiner-in-chief shall set (1) a time for filing motions (§1.635) for additional discovery under §1.687(c) and (2) testimony periods for taking any necessary testimony (testimony includes testimony to be taken abroad under §1.684).

(b) Where appropriate, testimony periods will be set to permit a party to:

- (1) Present its case-in-chief and/or case-in-rebuttal and/or
- (2) Cross-examine an opponent's case-in-chief and/or a case-in-rebuttal.

(c) A party is not entitled to take testimony to present a case-in-chief unless:

(1) The examiner-in-chief orders the taking of testimony under §1.639(c);

(2) The party alleges in its preliminary statement a date of invention prior to the earlier of the filing date or effective filing date of the senior party;

(3) A testimony period has been set to permit an opponent to prove a date of the invention prior to the earlier of the filing date or effective filing date of the party and the party has filed a preliminary statement alleging a date of invention prior to the date; or

(4) A motion (§1.635) is filed showing good cause why a testimony period should be set.

(d) Testimony, including any testimony to be taken abroad under §1.684, shall be taken and completed during the testimony periods set under paragraph (a) of this section. A party seeking to extend the period for taking testimony must comply with §1.635 and §1.645(a).

3. Section 1.684 is revised as follows:

§1.684 Testimony in a foreign country.

(a) An examiner-in-chief may authorize testimony of a witness to be taken in a foreign country. A party seeking to take testimony in a foreign country shall, promptly after the testimony period is set, file a motion (§1.635):

(1) Naming the witness

(2) Describing the particular facts to which it is expected that the witness will testify.

(3) Stating the grounds on which the moving party believes that the witness will testify.

(4) Demonstrating that the expected testimony is relevant.

(5) Demonstrating that the testimony cannot be taken in this country at all or cannot be taken in this country without hardship to the moving party greatly exceeding the hardship to which all opposing parties will be exposed by the taking of the testimony in a foreign country.

(6) Accompanied by an affidavit stating that the motion is made in good faith and not for the purpose of delay or harassing any party.

(7) Accompanied by written interrogatories to be asked of the witness.

(b) Any opposition under §1.638(a) shall state any objection to the written interrogatories and shall include any cross-interrogatories to be asked of the witness. A reply under §1.638(b) may be filed and shall be limited to stating any objection to any cross-interrogatories proposed in the opposition.

(c) If the motion is granted, taking of the testimony abroad must be completed within the testimony period set under §1.651 or within such time as may be set by the Examiner-in-Chief. The moving party shall be responsible for obtaining answers to the interrogatories and cross-interrogatories before an officer qualified to administer oaths in the foreign country under the laws of the United States or the foreign country. The officer shall prepare a transcript of the interrogatories, cross-interrogatories, and recorded answers to the interrogatories and cross-interrogatories and shall transmit the transcript to BOX INTERFERENCE, Commissioner of Patents and Trademarks, Washington, DC 20231, with a certificate signed and sealed by the officer and showing:

(1) The witness was duly sworn by the officer before answering the interrogatories and cross-interrogatories.

(2) The recorded answers are a true record of the answers given by the witness to the interrogatories and cross-interrogatories.

(3) The name of the person by whom the answers were recorded and, if not recorded by the officer, whether the answers were recorded in the presence of the officer.

(4) The presence or absence of any party.

(5) The place, day, and hour that the answers were recorded.

(6) A copy of the recorded answers was read by or to the witness before the witness signed the recorded answers and that the witness signed the recorded answers in the presence of the officer. The officer shall state the circumstances under which a witness refuses to read or sign recorded answers.

(7) The officer is not disqualified under §1.674.

(d) If the parties agree in writing, the testimony may be taken before the officer on oral deposition.

(e) A party taking testimony in a foreign country shall have the burden of proving that false swearing in the giving of testimony is punishable as perjury under the laws of the foreign country. Unless false swearing in the giving of testimony before the officer shall be punishable as perjury under the laws of the foreign country where testimony is taken, the testimony shall be entitled to the same weight as testimony taken in the United States. The weight of the testimony shall be determined in each case.

Aug. 22, 1991

HARRY F. MANBECK, JR.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1136 OG 40]

(163) Interference Practice: Matters Relating to Belated Preliminary Motions

In some interference proceedings, evidence which would provide a basis for a preliminary motion under 37 CFR 1.633 does not come to light until after a decision on preliminary motions has been entered. For example, a party may conclude, after hearing the opponent's testimony, that the opponent's application or patent does not comply with the "best mode" requirement of 35 USC § 112, first paragraph; or a prior art reference may be found which the party could not previously have located. The purpose of this notice is to clarify the policy of the Board of Patent Appeals and Interferences as to what steps the party must take if it wishes to have an issue based on such evidence considered by the Board.

If the time for filing preliminary motions has expired, and then evidence comes to light which in the opinion of a party would provide basis for a preliminary motion under 37 CFR 1.633, that party may not simply raise the matter in its brief at final hearing for the Board's consideration. Rather, it is the policy of the Board that it will not consider the matter unless the party files promptly after the evidence becomes available:

(1) the appropriate preliminary motion under 37 CFR 1.633; and

(2) a motion under 37 CFR 1.635 showing sufficient cause why the preliminary motion was not timely filed, as required by 37 CFR 1.645(b). This motion must include the certificate required by 37 CFR 1.637(b).

If either party believes that additional evidence or discovery concerning the matter raised by the motion(s) is necessary, motions (1) and (2) should also be accompanied by or responded to by such other motions as may be appropriate, as for example, motions under 37 CFR 1.651(b) (4) or 1.687(c).

Oct. 6, 1992

SAUL I. SEROTA
*Chairman, Board of Patent
Appeals and Interferences*

[1144 OG 8]

(164) Interference Practice: Response to Order to Show Cause Under 37 CFR 1.640

37 CFR 1.640(e) provides that when an order to show cause under 37 CFR 1.640(d) is issued against an interference party, the Board of Patent Appeals and Interferences will enter judgment against that party "unless, within 20 days after the date of the order, the party against whom the order issued files a paper

which shows good cause why judgment should not be entered in accordance with the order." In the application of this rule, some confusion has arisen as to the nature of the "paper" which the party must file when the basis of the order is 37 CFR 1.640(d)(1), i.e., where "[a] decision on a motion is entered which is dispositive of the interference against the party on any count."

Normally, the "paper" filed in response to such an order to show cause should be a simple request that final hearing (see 37 CFR 1.654) be set to review the decision on the motion which was dispositive of the interference against the party, as well as any other decision on motion which the party may wish to have reviewed by the Board.* When such a response is filed, the Examiner-in-Chief will normally set the times for filing briefs under 37 CFR 1.656. The response should be accompanied by a motion requesting a testimony period, if the party desires to take testimony. See 37 CFR 1.640(e), last sentence. Also, an opposing party may request a testimony period, even if the party responding to the order to show cause does not. Such a request should be filed promptly after the Examiner-in-Chief enters an order setting the brief times, but in no event more than twenty (20) days after entry of such order. Cf. the Commissioner's Notice of June 15, 1981, 1008 O.G. 9 (July 14, 1981).

Instead of filing a request that final hearing be set, the party under order to show cause may file a paper containing a full discussion of the reasons why judgment should not be entered. However, before deciding to file such a paper, the following should be taken into consideration:

(1) Such paper will be construed as a request for final hearing if a testimony period is requested;

(2) Such paper will be deemed a waiver of any opportunity to present oral argument concerning the matters discussed therein, and the matter will be decided by the Board based upon the content of the paper and any response thereto;

(3) An opposing party may still request final hearing and/or a testimony period within twenty (20) days of the date of service of the paper, and if either request is granted it will be necessary for the parties to file briefs under 37 CFR 1.656.

It is the policy of the Board of Patent Appeals and Interferences that when final hearing is set pursuant to a request therefor following an order to show cause issued as a result of a decision on preliminary motions under 37 CFR 1.633 or 1.634, the parties must raise at that hearing for consideration by the Board all matters specified in 37 CFR 1.655(b) which were decided on the merits by the Examiner-in-Chief and which they wish to have considered. In other words, once the brief times are set for such a final hearing, every matter which was decided by an Examiner-in-Chief in connection with a motion under 37 CFR 1.633 or 1.634 must be raised in the parties' main briefs if the parties wish to have those matters considered by the Board. A party cannot wait to see what the Board's decision on one such matter will be and then, if the decision is unfavorable to the party and the case continues, raise that matter or any other such matter at a subsequent final hearing.

DONALD W. PETERSON,
Deputy Commissioner
of Patents
and Trademarks.

Dec. 8, 1986.

[1074 OG 4]

(165) Winkler v. Guglielmino

On March 15, 1989, a panel of the Board of Patent Appeals and Interferences entered a decision in an interference awarding priority to junior party, Guglielmino, and held that Winkler, the senior party, is not entitled to a patent containing a claim corresponding to the interference count because he admitted the subject matter of the count was unpatentable. *Guglielmino v. Winkler*, 11 USPQ2d 1389 (Bd. Pat. App. & Int. 1989).

An appeal was taken to the U.S. Court of Appeals for the Federal Circuit. On May 9, 1990, the Federal Circuit vacated and remanded. *Winkler v. Guglielmino*, Appeal No. 89-1571 (Fed. Cir. May 9, 1990). The opinion in support of the decision was not published.

In view of the Federal Circuit's decision, the Board's published decision is no longer viable precedent and will not be followed.

In the future, a motion for judgment under 37 CFR § 1.633(a) contending that an opponent's claims corresponding to a count are not patentable over the prior art shall not be taken as an admission *per se* that the moving party's claims corresponding to the count are also unpatentable. However, if an Examiner-in-Chief or a panel of the Board determines that the motion should be granted on the merits and the prior art relied upon by the moving party is equally applicable to the claims of the moving party, action may be taken against all parties under 37 CFR § 1.641 by issuing an order to show cause. When the prior art relied upon in support of the motion is not a statutory bar, a party in the response to the order to show cause may request a testimony period for the purpose of presenting evidence to overcome the date of the relied upon prior art.

Prior cases, such as *Slivinski v. Lane*, 1922 Dec. Comm'r Pat. 4 (Comm'r Pat. 1922), held that when an applicant, in interference with a patent, called attention to a reference which allegedly anticipated the subject matter of the count, the interference should be dissolved and the applicant's claims rejected on the admission of non-patentability. The rationale behind this holding was that the Patent Office had no jurisdiction in an interference to cancel a patent. Since 35 U.S.C. § 135(a) gives the Board jurisdiction to consider patentability in an interference and present interference rules authorize a motion for judgment against a patentee based on unpatentability over the prior art, the holding of *Slivinski* and similar cases is no longer applicable. Under 37 CFR §§ 1.601 through 1.690, a motion for judgment based on unpatentability over prior art does not constitute an admission of unpatentability to the moving party.

May 23, 1990

HARRY F. MANBECK, Jr.
Assistant Secretary and
Commissioner of Patents and Trademarks

[1115 O.G. 31]

(166) Interferences—Preliminary Motions for Judgment

When a party files a preliminary motion for judgment [37 CFR § 1.633(a)] against an opponent in an interference on the ground that the claim(s) corresponding to a count are unpatentable over prior art, *and*, based upon the effective filing date(s) of the application(s)/patent(s) involved in the interference, the prior art would also be applicable to the moving party, the following will apply:

1. The mere filing of the motion will *not* be construed as an admission by the moving party [See Commissioner's Notice of May 23, 1990, 1115 Off. Gaz. Pat. Office 31 (June 19, 1990), discussing *Winkler v. Guglielmino*, Appeal No. 89-1571 (Fed. Cir. May 9, 1990) (unpublished)].

2. The Examiner-in-Chief (EIC) will determine (i) whether the date(s) of the cited prior art are such that it would on its face appear to apply to the moving party, *and* (ii) if so, whether the motion includes an explanation as to why the prior art would not be applicable to the movant. If the motion does not contain an explanation, the EIC will send a letter to the moving party. The letter must: (a) inform the movant that the prior art appears to be applicable against the movant; (b) set a time period to provide an explanation as to why the prior art does not apply to the movant; (c) state that unless a sufficient explanation (and evidence, if appropriate, e.g., Rule 132 affidavit) is filled within the time set, the movant will not be permitted to rely on any such explanation (and evidence) in response to or in any subsequent action in the interference.

3. If the movant provides no explanation, or an insufficient explanation, as to why the cited prior art would not apply to the movant, the EIC will determine whether or not the prior art cited in support of the motion renders the count (claims corresponding to the count) unpatentable to the moving party as well as each of the other parties. If the EIC concludes that the claims are unpatentable, the EIC will issue an Order to Show Cause under 37 CFR § 1.640 against *all* parties to whom the prior art is applicable without regard to the dates alleged in the preliminary statements.¹ Note that if the moving party expressly admits that the

prior art renders his corresponding claims unpatentable, the EIC must still determine whether the corresponding claims of the other parties are unpatentable over that art.

4. In response to the Order to Show Cause, the parties have the options set forth in the Commissioner's Notice of December 8, 1986, 1074 Off. Gaz. Pat. Office 4 (January 6, 1987), and/or may move under 37 CFR § 1.651(c)(4) for a testimony period, if appropriate. However, the following should be noted:

A. If the party who filed the motion for judgment is under the Order to Show Cause, the party's showing and/or request for testimony in response to the Order may *not* be based upon any reasons which could have been, but were not, given in explanation of why the cited prior art would not apply to the party.

B. If the prior art is not a statutory bar to a party and the allegations in that party's preliminary statement, if proven, would antedate the effective date(s) of the prior art, an appropriate response to the Order to Show Cause would be a request to take testimony to antedate the prior art, as well as to prove priority of invention. *If applicable, this option may be specified in the Order to Show Cause.*

C. A request for a testimony period to remove the prior art based upon other reasons, e.g., inoperativeness of a reference, unexpected results, etc., must meet the criteria set forth in *Hanagan v. Kimura*, Interference No. 102,150 USPQ2d (Comm'r. Pat. Apr. 5, 1990) (LEXIS, Patcop library, Omni file).

D. Even assuming corroboration, the evidence necessary to antedate a reference is not necessarily the same as that required to prove priority of invention. *Cf. Anderson v. Norman*, 185 USPQ 371 (Comm'r Pat. 1968). Therefore, depending on the circumstances, a request to take priority testimony may not be adequate to cover taking testimony to antedate the reference, and vice versa.

August 10, 1990

SAUL SEROTA
Chairman,
Board of Patent
Appeals and Interferences

1. *Goutzoulis v. Athale*, 15 USPQ2d 1461 (Comm'r Pat.) suggests that a preliminary statement might be considered to determine whether an Order to Show Cause should be issued. In view of the procedure outlined herein, that suggestion will not be followed.

[1118 O.G. 19]

(167) **Applicability of the last paragraph of U.S.C. §112 to patentability determinations before the Patent and Trademark Office**

The following paragraph was first enacted in 1952 as the third paragraph of 35 U.S.C. §112:

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

Act of July 19, 1952, ch. 950, 66 Stat. 798-99. The scope of a "means" in a claim undergoing a patentability determination over the prior art in the Patent and Trademark Office (PTO) is a function of (I) whether §112's last clause ("and such claim shall be construed to cover . . .") applies and (II) if so, how. It is the position of PTO that the clause does not apply.

I. Applicability of § 112's Last Clause

The applicability of the last clause to ex parte patentability determinations *vis-a-vis* the prior art is resolved by examining the statutory language, legislative history, CCPA decisions, long-standing PTO interpretation, legislative reenactment, and Federal Circuit cases.

A. History of the Legislation, PTO Interpretation, and CCPA Precedent

The last clause of section 112's last paragraph states that means-plus-function claims "shall be construed to cover the corresponding structure material, or acts described in the specification and equivalents thereof." Act of July 19, 1952, ch. 950, 66 Stat. 798-99. Commentary concerning that clause as enacted in 1952 states that the clause:

relates primarily to the construction of such claims for the purpose of determining when the claim is infringed (note the use of the word "cover"), and would not appear to have much, if any, applicability in determining the patentability of such claims over the prior art, that is, the Patent Office is not authorized to allow a claim which "reads on" the prior art.

P.J. Federico, "Commentary on the New Patent Act," 35 U.S.C.A. 1, 25-26 (1954). Federico's passage notes that "cover" refers to infringement, and contrasts claim "construction," done for infringement purposes, with PTO patentability determinations. *Id.* Federico assisted in drafting the Act and was regarded as an expert in the subject-matter of the Act. Report of the Committee on the Judiciary, H.R. 7794, reprinted at 34 J. Pat. Off. Soc'y 549, 552 (1952). Federico's contemporaneous commentary accompanying the new statute in U.S.C.A. deserves consideration as showing the last clause was intended to affect infringement cases and not to affect PTO ex parte patentability determinations *vis-a-vis* the prior art.

Similarly, Charles J. Zinn's contemporaneous commentary says:

The final paragraph of section 112 relating to functional claims is new. It recognizes the validity of combination claims wherein the novelty is expressed in functional terms. It offsets the theory of the *Halliburton* case but does not go so far as to permit the use of single means claims.

Commentary on New Title 35, U.S. Code "Patents," reprinted in 1952 U.S. Code Cong. and Ad. News 2509, 2514 (emphasis added). Zinn's passage notes the final paragraph's effect on claim validity (a post-issuance, court-determined matter) but not on patentability (a pre-issuance, PTO-determined matter). *Id.* It also notes that the final paragraph addressed *Halliburton Co. v. Walker*, 329 U.S. 1 (1946). *Halliburton* involved infringement/validity, not ex parte patentability. *Id.* Zinn, as the Judiciary Committee's law revision counsel, directed and supervised the actual work of preparing the preliminary drafts and the bill that became Title 35. Report of the Committee on the Judiciary accompanying H.R. 7794, reprinted at 34 J. Pat. Off. Soc'y 549, 552 (1952). Thus, Mr. Zinn's insight is consistent with the proposition that the third paragraph of §112 affects validity but not ex parte patentability determinations.

Less than six months after the effective date of the 1952 act, an eight-member panel of the Board of Appeals decided *Ex Parte Ball*, 99 U.S.P.Q. 146 (Bd. Pat. App. 1953). The eight-member panel in *Ex Parte Ball* included then Commissioner of Patents Watson, as well as Examiner-in-Chief Federico. Ball contended that:

each of the appealed claims distinguishes from the prior art in the recitation of a means or an elemental structure for performing a specified function that is not contemplated by the cited references . . .

Id. at 148. Before enactment of §112's last paragraph, the Board had sustained rejections of Ball's claims because, comparing the claim language to the prior art, "any differences which exist are only functionally expressed" in the claims. *Id.*

After enactment, the Board withdrew that position on reconsideration, apparently due to the first clause of §112's last paragraph: "an element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure . . ." The Board reversed rejections of those claims that recited a novel function:

this function, as set forth, is distinctly unlike any function which is or could possibly be performed by the apparatus of [the prior art].

Id. at 148-49.

However, the Board sustained rejections of the claims (e.g. claim 39) whose recited function was performed by the prior art. *Id.* at 150. The Board reasoned that despite the last clause ("and such claims shall be construed to cover . . .") of §112's last paragraph, the claims in a pending application would be controlled by §112's second paragraph, requiring the language itself

of a claim to particularly point out the novel subject matter. *Id.* The dominance of the second paragraph over the third was simultaneously stated in dictum in *In re Arbeit*, 206 F.2d 947, 958, 99 USPQ 123, 131 (CCPA 1953). Similar statements have appeared in all eighty-five subsequent editions of the Manual of Patent Examining Procedure (MPEP), from 1955 to present, specifically referring to *Ex Parte Ball*. MPEP §706.03(c).

In 1957, the CCPA squarely held that the last clause of §112's last paragraph ("and such claim shall be construed to cover...") does not apply to PTO's patentability determinations. *In re Lundberg*, 244 F.2d 543, 548, 113 USPQ 530, 534 (CCPA 1957). The CCPA stated:

notwithstanding the third [now sixth] paragraph of section 112, it is the language itself of the claims which must particularly point out and distinctly claim the subject matter which the applicant regards as his invention, without limitations imported from the specification, whether such language is couched in terms of means plus function or consists of a detailed recitation of the inventive matter. Limitations in the specification not included in the claim may not be relied upon to impart patentability to an otherwise unpatentable claim.

Id. That holding was central to the CCPA's judgment affirming PTO's rejection of claim 54:

It is thus apparent that [prior art] either expressly discloses or reasonably would suggest to one skilled in the art, each element in the claimed combination, including the recited function of the detecting instrument. In view of our foregoing analysis of 35 U.S.C. 112, it is not seen that claim 54 patentably defines over the prior art. We accordingly sustain the board's rejection of this claim.

Id., 244 F.2d at 550, 113 USPQ at 536.

Following the CCPA's 1957 *Lundberg* decision, in 1965 Congress reenacted the "third" paragraph of §112 (1952) as the "sixth" paragraph of §112. Pub. L. 89-83, §9, 79 Stat. 261 (1965). In enacting Public Law 89-83, Congress saw no reason to disagree with the *Lundberg* and PTO interpretations: that the last clause does not apply in proceedings before PTO to determine whether claimed subject matter is patentable over the prior art under 35 U.S.C. §§102 or 103. *See Lorillard v. Pons*, 434 U.S. 575, 580 (1978) ("Congress is presumed to be aware of an administrative or judicial interpretation of a statute and to adopt that interpretation when it re-enacts a statute without change"); *Atkins v. United States*, 556 F.2d 1028, 1039 (Ct. Cl. 1977), *cert. denied*, 434 U.S. 1009 (1978) ("A cardinal principle of statutory interpretation is that, in the absence of a clearly expressed intent to the contrary, the revision or recodification of a statute indicates approval of court interpretations of the statute made prior to reenactment"). Upon reenactment, Congress did not in any way express disapproval of the PTO/CCPA means plus function interpretation as applied to *ex parte* examination.

In 1968, the CCPA in deciding *In re Sweet*, 393 F.2d 837, 841-42, 157 USPQ 495, 499 (CCPA 1968) noted, consistent with *Lundberg* and PTO's now well-established interpretation of the "third/sixth" paragraph of §112, that:

However, a recitation of "means" for performing a function is interpreted broadly to cover all means capable of performing the stated function and is not limited to the particular structure which the application may disclose.

The CCPA affirmed as to those claims where the claimed function was obvious from the prior art, but reversed where the function was not disclosed or otherwise made obvious (i.e., claim 17). *Id.*, 393 F.2d at 842-43, 157 USPQ at 500.

In 1975, Congress again reenacted the "sixth" paragraph of §112. Pub. L. 94-131, §7, 89 Stat. 690-91 (1975). Despite a second amendment of §112, Congress again declined to legislatively overrule the CCPA/PTO interpretation of the "third/sixth" paragraph of §112, as applied to patentability determinations of claims pending before PTO *vis-a-vis* the prior art. *See Ralden Partnership v. United States*, 891 F.2d 1575, 1579 (Fed. Cir. 1989) (an inference can be drawn that Congress acquiesced in agency interpretation of statute twice reenacted). Only Congress can "un-adopt" that interpretation.

The last clause of §112's last paragraph was consistently interpreted by the CCPA and PTO up to the time of the creation of the Federal Circuit. The PTO has now employed that interpretation

without difficulty for thirty-eight years, a period in which PTO has issued over 2,436,000 patents.

There is no question that, both prior to and after creation of the Federal Circuit, courts of appeals applied the last clause of §112's last paragraph in infringement cases. It is also true that the last clause was not applied during PTO patentability determinations. But that is exactly what PTO believes Congress intended. In this respect, over 30 years of experience from 1952 to 1983 provides a certain "comfort level." Patent practitioners generally understand how the last paragraph of §112 was, and is, applied by PTO to determine whether means-plus-function limitations differ from the prior art.

Until creation of the Federal Circuit, the CCPA applied the *Lundberg* rationale to claims undergoing patent examination and courts of appeals applied the last clause of §112's last paragraph in infringement cases. Nothing in the Federal Courts Improvement Act of 1982, Pub. L. 97-164, Title I (1982), was intended to change the manner in which the Federal Circuit was to deal with interpretation of claims during examination or construction of claims in infringement cases.

B. Federal Circuit Treatment

The "sixth" paragraph of §112 was consistently interpreted and applied by the CCPA and PTO up to the time of the creation of the Federal Circuit. However, it has been inconsistently interpreted by the Federal Circuit. Insofar as PTO is aware, *In re Mulder*, 716 F.2d 1542, 1549, 219 USPQ 189, 196 (Fed. Cir. 1983), represents the first arguable departure from *Lundberg*. The *Mulder* court aid:

With respect to claim 9, we note that it is drafted in "means plus function" format, so that it is "construed to cover the corresponding structure * * * described in the specification and equivalents thereof." 35 U.S.C. §112. As stated above, the board said that de Troye's arrangement constituted means to reduce input series resistance. Appellants have neither asserted nor shown that de Troye's structure is not the equivalent of the structure disclosed in their specification for reducing input series resistance.

The *Mulder* Board said what it said because it found de Troye to disclose the function. Hence, consistent with long-standing practice, it made no inquiry into the equivalency of the structures of the reference and *Mulder*. One might assume that appellants (*Mulder*) did not present a non-equivalence argument, because then well-established *Lundberg/Sweet* principles would have rendered such an argument futile.

In June of 1986, a journal article questioned whether PTO was properly applying the sixth paragraph of §112 in resolving § 102/103 issues. Moy, "The Interpretation of Means Expression During Examination," 68 J. Pat. Off. Soc'y 246 (1986). Moy acknowledges the existence of, and discusses, published (precedential) and unpublished (unprecedential) *ex parte* CCPA/Federal Circuit decisions which support PTO's view. *Id.* at 256-59. Moy thinks that it is wrong for PTO to confine its examination of means-plus-function clauses to simply whether the identical function is performed. However, Moy does not address whether Congress' two reenactments of the means-plus-function provisions of §112 constitute legislative adoption of PTO's interpretation of the sixth paragraph based on *Lundberg*. Nor does Moy point to anything in the Federal Courts Improvement Act which suggests that the newly created Federal Circuit was no longer to apply *Lundberg*.

Non-precedential Federal Circuit opinions have applied the *Lundberg* rule. *See, e.g., In re Boersma*, No. 84-627 (Fed. Cir. May 4, 1984) (unpublished), summarized at 28 Pat. Tm & Copyrt. J. 83 (BNA May 24, 1984). *Lundberg* was addressed in concurring opinions of *In re Queener*, 796 F.2d 461, 230 USPQ 438 (Fed. Cir. 1986). *Queener* argued that PTO erroneously refused to apply the last clause of §112's last paragraph. The Court affirmed without reaching *Queener's* argument, explicitly indicating that it "need not, and does not" reach other matters, "including those pertaining to the 'means plus function'...." *Id.*, 796 F.2d at 464, 230 USPQ at 440. Senior Judge Miller, concurring, suggested that *Queener's* argument "is reasonable and should not be rejected out of hand or ignored by the majority and Judge Newman's concurring opinions." *Id.* Judge Newman separately concurred, citing *Lundberg* and noting:

[I]n view of Senior Judge Miller's interpretation of precedent to hold that the last paragraph of section 112 is reasonably applied, in prosecution before the PTO, so that the claims need not distinguish from the prior art, I write separately to express my concern lest we reopen that closed book. It is now beyond debate that limitations from the specification will not, during examination before the PTO, be imputed to the claims in order to avoid prior art; such limitations must be specifically stated in the claims.

... This law has been consistently applied.

Id., 796 F.2d at 464, 230 USPQ at 440.

In 1989, a Federal Circuit panel decided *In re Iwahashi*, 888 F.2d 1370, 1375 n.1, 12 USPQ2d 1908, 1912 n.1 (Fed. Cir. 1989). *In re Iwahashi* involved a §101 rejection, not a rejection based on the prior art. Under *In re Meyer*, 688 F.2d 789, 796 n. 6, 215 USPQ 193, 199 n.6 (CCPA 1982), equivalence under §112's last paragraph is applicable to §101 rejections, but not to rejections based on the prior art. The *Iwahashi* panel did not explicitly recognize the *Meyer* distinction.

Iwahashi note 1 refers to a statement of law in *In re Sweet*, *supra*, to the effect that "means" for performing a function is interpreted broadly to cover all means capable of performing the stated function and is not limited to the particular structure which the application may disclose. Note 1, however, disagrees with the "truth" (correctness) of *Sweet's* statement of law. Note 1 says that the statement is partly true and partly untrue. The untrue part is said to be the first part, i.e., that means is interpreted to cover all means for performing the function. According to the note, the first part of the statement should have said that the means is interpreted as limited to the means disclosed in the specification and all equivalents thereof which perform the function.

"The immediately preceding two paragraphs" of the *Sweet* opinion, i.e., those appearing at 393 F.2d at 841, col. 2, 157 USPQ at 499, col. 1-2, are said to demonstrate that *Sweet* considered equivalence of structure under the last paragraph of §112. *In re Iwahashi*, *supra*. PTO does not believe that the "two paragraphs" demonstrate what the footnote says.

The *Iwahashi* footnote warns against removing the disputed statement of law from its context. The disputed statement of law in *In re Sweet* related to different claim language than did the two paragraphs. In volume 393 of the F.2d reporter, the two paragraphs related only to the function discussed on pages 840-41, whereas the disputed statement of law related only to the discussion of the whereby clause on page 842.

The two paragraphs dealt with whether the reference had a means to perform the claimed function "to simultaneously change the position of said cutting elements for cutting a different size diameter." *In re Sweet*, *supra*, 393 F.2d at 841, 157 USPQ at 499. The only precedent cited in the two paragraphs, *In re Danly*, 263 F.2d 844, 847, 120 USPQ 528, 531 (CCPA 1959), also dealt only with whether a reference exhibited "actual performance of the stated functions," as those functions were interpreted.

The disputed statement of law, however, dealt with whether the whereby clause (whereby said cutting elements will "cut at substantially the same distance from the center of rotation on said different size diameter") required that the cutting elements be in alignment with radii of the workpiece. *In re Sweet*, *supra*, 393 F.2d at 842, 157 USPQ at 499-500. Since the language itself of the claim did not require such alignment, the CCPA refused to read it into the claim. *Id.* at note 6 and accompanying text.

In 1990, a Federal Circuit panel decided *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990). Without citing *Lundberg*, that panel made a statement directly contrary to *Lundberg*, regarding a pending claim:

While a "means-plus-function" limitation may appear to include all means capable of achieving the desired function, the statute requires that it be "construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof." 35 U.S.C. §112 ¶ 6 (emphasis added);

In re Bond, 910 F.2d at 833, 15 USPQ2d at 1568. The panel remanded to the Board because the Board had not determined equivalence under §112 ¶ 6. The Board had not done so because it was (and is) the PTO's position that the last clause does not apply to pending applications.

C. Mandatory Authority

The following mandatory authority forecloses PTO interpretation of pending means claims as limited to structure, material, or acts described in the specification and equivalents thereof under 35 U.S.C. §112.

Supreme Court cases hold that an agency's consistent longstanding interpretation of a statute is entitled to deference. *Chevron U.S.A. Inc. v. Natural Resources Defense Council*, 467 U.S. 837, 843-45, *reh'g denied*, 468 U.S. 1227 (1984); *United States v. Clark*, 454 U.S. 555, 565 (1982); *FEC v. Democratic Senatorial Campaign Committee*, 454 U.S. 27, 32 (1981). In *FEC*, the Court of Appeals had struck down an agency interpretation of a statute. The Supreme Court reversed because the agency's interpretation was within its authority rather than frustrative of the policy Congress sought to implement or "inconsistent with the statutory mandate." *FEC*, *supra*.

As set forth above, the PTO has consistently and historically interpreted the last clause ("and shall be construed to cover . . .") as inapplicable to pending applications. *In re Queener*, 796 F.2d 461, 464, 230 USPQ 438, 440 (Fed. Cir. 1986) (Newman, J., concurring); Moy, "The Interpretation Of Means Expressions During Prosecution," 68 J. Pat. Tm. Off. Soc'y 246, 251 (1986). Thus, PTO's interpretation of the last clause of §112's last paragraph is not easily overcome. In fact, application of the last clause to applications pending before the PTO is foreclosed by (1) the clause itself, (2) binding precedent, and (3) Congressional re-enactment.

1. The Clause Itself

As discussed below, the Supreme Court used the terms "construed" or "cover" around 1952 when referring to post-issuance matters in court (e.g., validity or infringement), and not to interpretation of claims by the PTO in a patentability determination. Therefore, it is reasonable to conclude that a 1952 statute that used either of those terms referred only to matters in court, not in the PTO. Since the last clause of §112's final paragraph used (a) "construed" and (b) "covered" in the same phrase "construed to cover" it must have referred only to infringement cases in court. Use of the term (c) "equivalents" further indicates that a court, not a PTO, determination is called for. The combined import of all three terms is clear.

(a) "construed"

The Supreme Court has used "construed" only to refer to post-issuance court matters and not to PTO patentability determinations. *See, e.g., Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 336 U.S. 271, 276-77 (1948), *aff'd on reh'g*, 339 U.S. 605 (1949), *reh'g denied*, 340 U.S. 845 (1950). The Supreme Court's usage just prior to the 1952 enactment is especially relevant to the meaning attributed to "construed" in the 1952 Act. The last paragraph of §112 was enacted in response to then-recent Supreme Court precedent. *Federico*, *supra*; *Zinn*, *supra*.

In *Graver Tank*, the Supreme Court reversed the Court of Appeals for erroneously importing limitations from the specification into the claims. *Graver Tank*, 336 U.S. at 276-77. The relevant passage dealt with a district court's holding invalid certain claims asserted in an infringement action:

The Court of Appeals [erroneously] considered that because there was nothing in the record to show that the applicants for the patent intended by these claims to assert a monopoly broader than nine metallic silicates named in the specifications, the [district] court should have construed the claims as thus narrowed and limited by the specifications.

Id. Because of the similar topic of that passage, and because *Graver Tank* was the seminal case on equivalents, Congress' usage of "construed" four years later in the last clause of §112's last paragraph was predictably consistent with that passage. Claims were "construed" by courts.

As another example, in *Great Atlantic & Pacific Tea Co. v. Suermarket Equip. Corp.*, 340 U.S. 147, 149 (1950), *reh'g denied*, 340 U.S. 918 (1951), the Supreme Court applied §112's precursor in an infringement case. The Court found clearly erroneous district court's "construction" of an asserted claim because the limitation relied on was:

not mentioned in the claims, except, perhaps, by a construction too strained to be consistent with the

clarity required of claims which define the boundaries of a patent monopoly.

Id. Claims were "construed" by courts.

The Federal Circuit's usage of "construe" is not especially probative of legislative intent because it is well after the 1952 enactment. However, when addressing why PTO's standards for patentability should be stricter than a district court's standards for validity, the Federal Circuit distinguishes between claims being "construed" by district courts, and "interpreted" or the like by the PTO. *See, e.g., In re Yamamoto*, 740 F.2d 1569, 1571, 222 USPQ 934, 936 (Fed. Cir. 1984); *see also In re Etter*, 756 F.2d 852, 858-59, 225 USPQ 1, 5-6 (Fed. Cir. 1985) (in banc) (rule of claim "construction" has no role in PTO reexamination), *cert. denied*, 474 U.S. 828 (1985). Similarly, in *Burlington Indus. v. Quigg*, 822 F.2d 1581, 1583, 3 USPQ2d 1436, 1438 (Fed. Cir. 1987), the court stated:

Issues of judicial claim construction such as arise after patent issuance, for example during infringement litigation, have no place in prosecution of pending claims before the PTO . . .

Thus, the last clause of §112's last paragraph has no place in prosecution of pending claims before the PTO under §102 or §103.

(b) "cover"

Federico's above-quoted statement reveals that the word "cover" in §112 is used to connote an infringement context. No known Supreme Court precedent uses the word "cover" in an ex parte patentability case.

(c) "equivalents"

Section 112's reference to "equivalents" indicates an infringement, not prosecution, setting. Compare *Graver Tank & Mfg. Co. supra*, 339 U.S. at 610 ("equivalence . . . is to be decided by the trial court."). "Equivalents" under §112 speaks solely to infringement; is judicially, not administratively, determined; and involves redefining issued claims:

exists solely for the equitable purpose of "preventing an infringer from stealing the benefit of an invention" . . . equivalency is judicially determined by reviewing the content of the patent, the prior art, and the accused device, and essentially redefining the scope of the claims.

Texas Instruments, Inc. v. United States Int'l Trade Comm'n, 805 F.2d 1558, 1572, 231 USPQ 833, 842 (Fed. Cir. 1986), *reh'g denied*, 846 F.2d 1369, 6 USPQ2d 1886 (Fed. Cir.), *reh'g denied*, 7 USPQ2d 1414 (Fed. Cir. 1988) (in banc). The inclusion of "equivalents" in §112's last paragraph appears to address concerns of *Halliburton Co. v. Walker* that dealt only with potential infringers. *Halliburton, supra*, 329 U.S. at 12-13.

2. Binding Precedent

As a CCPA case, *Lundberg* is binding precedent. *South Corp. v. United States*, 690 F.2d 1368, 215 USPQ 657 (Fed. Cir. 1982) (in banc).

The *Lundberg* case cannot be distinguished on the grounds that no appealed claims were held patentable. The CCPA did not decide whether the disclosed means would have been obvious if incorporated into a claim. *Lundberg, supra*, 244 F.2d at 551, 230 USPQ at 537.

The *Lundberg* case cannot be distinguished as one in which the applicant urged limitation of a claim to the disclosed means only exclusive of equivalents. The CCPA held that a function clause cannot be used to incorporate any limitations whatsoever into an applicant's claims, *id.*, and that limitations not included in the language itself of the claims cannot impart patentability, *id.*, 244 F.2d at 548, 113 USPQ at 534. It is irrelevant to those holdings whether attempted limitations would come from the disclosed means or from its equivalents. The CCPA noted that §112 required means-plus-function claims to be "construed to cover the corresponding structure, * * * described in the specification and equivalents thereof." *Id.*, 244 F.2d at 546, 113 USPQ at 533 (emphasis added).

In his brief, Lundberg repeatedly argued for limitation to means "described in the specification, and equivalents thereof." Lundberg's Brief For Appellants, pages 9, 14, 35, and 38 (emphasis added). Lundberg implicitly argued that the prior art was not the same as, or equivalent to, the means described in his specification.

For example, Lundberg quoted his specification's detailed description of claim 54's detecting means. Lundberg's Brief at 33-34. Lundberg argued that the Board had erred in saying that the prior art means was the same. Lundberg's Brief at 34. Lundberg argued further that the prior art means was not equivalent to Lundberg's disclosed means in that he argued the prior art distinguished itself from the type of detector means (a detector of one or more components of magnetic field) disclosed in Lundberg's specification. Lundberg's Brief at 35. Lundberg cited record page 210 showing that the prior art distinguished itself from the type of detector means disclosed in Lundberg's specification. Lundberg's Brief at 35. Lundberg concluded that section of argument citing the 1952 Patent Act as requiring limitations "described in the specification and equivalents thereof [sic, thereof]." Lundberg's Brief at 35.

As another example, Lundberg argued that claim 54's airplane means for transporting referred to aircraft capable of the type of movement "repeatedly set forth in the present application" which he alleged was not even along the lines of the prior art's contemplation. Lundberg's Brief at 24-26.

3. Congress' Reenactments

Acts of Congress are mandatory authority. As discussed above, Congress' reenactments implicitly adopted and re-adopted the PTO/CCPA interpretation.

D. Effect of Federal Circuit Panel Decisions

Without addressing *In re Lundberg*, Federal Circuit panels have made statements contrary to the above statement of mandatory authority, *viz., In re Bond*, 910 F.2d 831, 833, 835, 15 USPQ2d 1566, 1568, 1569 (Fed. Cir. 1990), and arguably *In re Iwahashi*, 888 F.2d 1370, 1375 n.1, 12 USPQ2d 1908, 1912 n.1 (Fed. Cir. 1989) (not a prior art case) and *In re Mulder*, 716 F.2d 1542, 1549, 219 USPQ 189, 196 (Fed. Cir. 1983) (no definitive treatment).

Those panel decisions do not overcome the mandatory authority set forth *supra*. For example, they do not overcome *In re Lundberg*, which is binding precedent in the Federal Circuit. *See Capitol Elec. Inc. v. United States*, 729 F.2d 743, 746 (Fed. Cir. 1984); *South Corp. v. United States*, 690 F.2d 1368, 215 USPQ 657 (Fed. Cir. 1982) (in banc). Although Note 1 in *In re Iwahashi* disagreed with the "truth" of *Sweet's* statement of law, the *In re Iwahashi* panel had no authority to overrule any CCPA case. And, of course, no court can overcome the mandatory authority, discussed above, of §112's last clause itself and Congress' reenactments.

E. Other Considerations

Interpreting "means" in pending claims as including any capable means rather than the disclosed means and equivalents thereof, comports more with (1) the reverse doctrine of equivalents, (2) the statutory presumption of validity, and (3) policy considerations.

1. Reverse Doctrine of Equivalents

Section 112 ¶ 6 operates like the reverse doctrine of equivalents. *Intel Corp. v. United States Int'l Trade Comm'n*, Appeal No. 89-1459, 20 USPQ2d 1161, 1179 (Fed. Cir. September 17, 1991). One treatise states that:

Lundberg represents the better interpretation of Section 112 ¶ 6. This section is best understood as an expression of the reverse doctrine of equivalents. The reverse doctrine addresses how to treat later technical developments covered in words but not in substance by the claims in suit.

2 Patent Law Perspectives, ¶ 2.9 [5], p. 2-1172.1 through p. 2-1172.7 (1991). Thus, consideration of equivalents at the time of prosecution is an unnecessary expenditure of resources and ineffectual because equivalence, and the reverse doctrine in particular, speaks to future advances. *See Westinghouse v. Boverden Power Brake Co.*, 170 U.S. 537, 568 (1898); *Graver Tank Mfg. v. Linde, supra*, 339 U.S. at 608. *Halliburton Co. v. Walker*, 329 U.S. 1, 12, 13 (1946), was addressed by §112's last paragraph and points out that a device may not be known as of the patent issue date as an equivalent of a claimed means.

Neither PTO nor an applicant can predict what means will be shown after issuance of a patent to be equivalent to the claimed means:

It is not required that those skilled in the art knew, at the time the patent application was filed of the asserted equivalent means of performing the claimed functions; that equivalence is determined as of the time infringement takes place.

Texas Instruments, Inc. v. United States I.T.C., 805 F.2d 1558, 1563, 231 USPQ 833, (Fed. Cir. 1986), *reh'g denied*, 846 F.2d 1369, 6 USPQ2d 1886 (Fed. Cir.) (note concurring opinion by Judge Davis), *reh'g denied*, 7 USPQ2d 1414 (Fed. Cir. 1988) (in banc). See also *D.M.I., Inc. v. Deere and Co.*, 755 F.2d 1570, 1574, 225 USPQ 236, 238 (Fed. Cir. 1985) ("there is and can be no requirement that applicants describe or predict every possible means of accomplishing that function"); *S.R.I. Int'l v. Matsushita Elec. Corp.*, 775 F.2d 1107, 1121, 227 USPQ 577, 586 (Fed. Cir. 1985) (in banc) (plurality) ("The law does not require the impossible. Hence, it does not require that an applicant describe in his specification every conceivable and possible future embodiment of his invention").

If pending means claims were interpreted as limited to disclosed means and equivalents thereof, patent applicants would have to prosecute based on what they predict to be or not to be equivalent in the future. That is impractical, if not nonsensical, because equivalence is determined "as of the time infringement takes place," *Texas Instruments, supra*. Statements during prosecution, however, may estop patentees from asserting a full range of equivalents against infringers in the future. See 2 Patent Law Perspectives, *supra* at 2-1172.5 (1991). Lacking such statements, courts would re-determine equivalence during infringement suits, duplicating and superseding PTO's determinations.

2. Presumption Of Validity

In courts, issued claims are presumed valid. 35 U.S.C. §282. Thus, courts determining validity in infringement cases give a narrower meaning to issued claims (to preserve their validity) than the "broadest reasonable interpretation" PTO gives to pending claims. *In re Etter*, 756 F.2d 852, 858-59, 225 USPQ 1, 5-6 (Fed. Cir. 1985) (in banc). The court stated:

In litigation, where a patentee cannot amend his claims, or add new claims, the presumption [of validity], and the rule of claim construction (claims shall be construed to save them if possible), have important roles to play. In reexamination, where claims can be amended and new claims added, and where no litigating adversary is present, those roles and their rationale simply vanish.

Id. See also *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989) (citing *In re Prater*, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-51 (CCPA 1969) for the proposition that "before the application is granted, there is no reason to read into the claim the limitations of the specification"). Because § 282's presumption of validity and the narrowing rule of claim construction do not apply to pending claims, *In re Etter, supra*, the reasons for construing issued means claims as limited to disclosed means and equivalents thereof under §112 "simply vanish" in PTO examination.

A validity appeal from a district court is "quite another thing" (compared to an ex parte PTO appeal) because, *inter alia*, various additional segments (e.g. §282) of the patent statute are applicable to an issued patent. Compare *Polaroid Corp. v. Eastman Kodak Co.*, 789 F.2d 1556, 1559 n.8, 229 USPQ 561, 563 n.8 (Fed. Cir.), *cert. denied*, 479 U.S. 850 (1986).

3. Policy Considerations

Given PTO's long-standing interpretation of the sixth paragraph, judicially sanctioned in *Lundberg*, and twice implicitly adopted by Congress through reenactments of §112, any change in the practice is properly addressed by Congress — not the courts or PTO. A change in practice involves policy issues which would affect many involved in the patent system — PTO, patentees, and accused infringers. These and other policy issues are appropriately debated and resolved by Congress:

a. PTO Workload

PTO's workload will increase; without the benefit of live testimony and testing facilities, PTO will have to resolve structural equivalency.

b. Practical Application

Patent applicants may have concerns about pre-committing views on non-equivalency prior to the time a patent is asserted.

Under § 112, a court may determine the breadth of equivalents to be afforded means plus function clauses in issued patents with reference to, *inter alia*, expert testimony and the prosecution history. *Intel Corp. v. United States Int'l Trade Comm'n*, Appeal No. 89-1459, 20 USPQ2d 1161, 1179-80 (Fed. Cir. September 17, 1991). The PTO has no facility for calling its own expert to balance expert testimony that arguably could be made of record under 37 C.F.R. §1.132. Before prosecution is complete, there is no coherent prosecution history; it is a moving target.

Because equivalency is determined with reference to testimony of experts and others versed in the technology, it requires a determination of credibility. *Graver Tank, supra*, 339 U.S. at 609. The Patent and Trademark Office is ill-equipped to assess credibility in ex parte patentability determinations.

Thus, it would be impractical for the PTO to attempt to apply the last clause of §112's final paragraph when comparing prior art to claims in ex parte examination.

c. Burden Shifting

If PTO accepted an applicant's non-equivalency argument, the burden of proof may shift in infringement cases; the accused infringer would have to prove non-equivalency, whereas today the patent owner must prove equivalency.

d. Claim Clarity

If pending means claims were interpreted as limited to the disclosed means and equivalents thereof without explicit claim language, it would be much more difficult to read and understand such claims. For example, identically worded claims in different applications could have different meanings, even to the point of mutual allowability and non-interference.

II. If §112 Applies. How?

PTO must apply the "broadest reasonable interpretation" to pending claims.

In re Yamamoto, 740 F.2d 1569, 222 USPQ 934 (Fed. Cir. 1984), this court said that claims subject to reexamination will "be given their broadest reasonable interpretation consistent with the specification, and limitations appearing in the specification are not to be read into the claims." 740 F.2d at 1571, 222 USPQ at 936. That standard is applied in considering rejections entered in the course of prosecution of original applications for patent. See *In re Prater*, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-51 (CCPA 1969).

In re Etter, 756 F.2d 852, 858, 225 USPQ 1, 5 (Fed. Cir. 1985) (in banc), *cert. denied*, 474 U.S. 828 (1985) (interpreting "means" clause).

That requirement would be applicable to PTO even if §112's last clause were also applicable. The only case directly requiring PTO to determine equivalents under § 6 required PTO at the same time to apply the "broadest reasonable interpretation" to the claim. *In re Bond*, 910 F.2d at 833, 15 USPQ2d at 1567. In PTO's view, the broadest reasonable interpretation of "means" for performing a function renders all capable means equivalent.

A court in a validity/infringement case must apply a narrow construction dictated by §282's presumption of validity, as discussed *supra*. In a validity/infringement case, "section 112 ¶ 6 operates to cut back on the types of means which could literally satisfy the claim language." *Johnston v. Ivac Corp.*, 885 F.2d 1574, 1580, 12 USPQ2d 1382, 1386 (Fed. Cir. 1989) (emphasis in original). In such a case, claims are not given the broadest reasonable construction. Compare *In re Etter, supra*, 225 USPQ at 8, 756 F.2d at 862 (Nies, J., concurring) ("claims in litigation

are to be 'so construed, if possible as to sustain their validity.' [citation omitted]. Claims in reexamination, on the other hand, 'will be given their broadest reasonable interpretation.'"). Since PTO must apply the broadest reasonable interpretation, the *Johnston v. Ivac Corp.* considerations do not dictate the same result in the PTO. Compare *In re Zletz, supra*, 893 F.2d at 321, 13 USPQ2d at 1322 (Board erred by applying the mode of claim construction used by courts in litigation).

Even if §112's last clause applied to PTO's ex parte patentability determinations *vis-a-vis* the prior art, and even if all capable means were not equivalent, the clause would not limit pending means claims to disclosed and equivalent means. As set forth *supra*, §112 ¶6 operates like the reverse doctrine of equivalents and speaks only to post-issuance advances. Thus, pre-issuance, a claim encompasses disclosed and equivalent means as well as any other means for performing the function.

Dec. 13, 1991

HARRY F. MANBECK, Jr.
Commissioner of Patents
and Trademarks

[1135 OG 8]

(168) Department of Commerce
Patent and Trademark Office
37 CFR Part 1
[Docket No. 50103-7058]**Arbitration of Patent Interference Cases***Agency:* Patent and Trademark Office, Commerce.*Action:* Final rule.*Summary:* The Patent and Trademark Office is amending its rules to implement the arbitration provisions of section 105 of the Patent Law Amendments Act of 1984, Pub. L. 98-622.*Effective Date:* May 27, 1987.*For Further Information Contact:* Ian A. Calvert or Michael Sofocleous by telephone at (703) 557-4000 or by mail marked to the attention of either and addressed to Box Interference, Commissioner of Patents and Trademarks, Washington, D.C. 20231. *Supplementary Information:* Section 105 of the Patent Law Amendments Act of 1984, enacted Nov. 8, 1984, provides for the arbitration of patent interference cases. Section 105, codified as 35 U.S.C. 135(d), provides:

Parties to a patent interference, within such time as may be specified by the Commissioner by regulation, may determine such contest or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of title 9 to the extent such title is not inconsistent with this section. The parties shall give notice of any arbitration award to the Commissioner, and such award shall, as between the parties to the arbitration, be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given. Nothing in this subsection shall preclude the Commissioner from determining patentability of the invention involved in the interference.

The Patent and Trademark Office (PTO) conducts interference proceedings to determine any question of patentability and priority of invention between two or more parties claiming the same patentable invention. An interference may be declared between two or more pending applications naming different inventors when, in the opinion of an examiner, the applications contain claims for the same patentable invention. An interference may be declared between one or more pending applications and one or more unexpired patents naming different inventors when, in the opinion of an examiner, any application and any unexpired patent contain claims for the same patentable invention. Patent interference cases can be quite expensive. Arbitration may prove useful to minimize expenses in interference cases. The arbitration rule applies to all pending interferences.

The PTO published an advance notice of rulemaking in the Federal Register of Jan. 16, 1985 (50 FR 2294-2296). The notice was also published in the *Official Gazette* on Feb. 12, 1985 (1051 O.G. 9-10). The notice also appeared in the Bureau of National

Affairs' Patent, Trademark and Copyright Journal, Vol. 29, p. 310 (Jan. 24, 1985), hereinafter "BNA." Five written comments were received in response to the advance notice.

A notice of proposed rulemaking was published in the Federal Register on Sept. 15, 1986 (51 FR 32756-32762), in the *Official Gazette* on Oct. 21, 1986 (1071 O.G. 25-31), and in BNA's Patent, Trademark and Copyright Journal, Vol. 32, pp. 552-558 (Sept. 18, 1986). In response to the notice, three comments, two in writing and one by telephone, were received. These comments are discussed herein.

All written comments are available for public inspection in Rm. 10C01, Crystal Gateway 2, 1225 Jefferson Davis Hwy., Arlington, Va.

Discussion of the Rule

Under § 1.690 the arbitrator can determine issues of patentability as between the parties but a determination by him or her that the subject matter is patentable would not be binding upon the PTO. If the arbitrator's award holds that a party's claims corresponding to the count are unpatentable over prior art or under 35 U.S.C. 112, that determination would be binding on that party *vis-a-vis* the party's opponent and would result in a judgment adverse to that party. The judgment, however, would not discharge the duty that each party has under 37 CFR 1.56 to bring to the attention of the examiner in charge of its respective application any prior art and/or reason relied upon by the arbitrator in the determination of unpatentability.

It is the longstanding practice of the PTO to favor the settlement of interferences and the PTO looks with favor on all proper efforts in that direction as being conducive to the termination of the proceeding. See 4 Revise and Caesar, *Interference Law and Practice*, section 861, p. 2956 (Michie Co. 1948) and the Commissioner's Notice of Nov. 9, 1976, titled, "Extensions of Time and Filing of Papers in Interferences," 953 *Official Gazette* 2 (Dec. 7, 1976). In this regard, the notice states that:

* * * stipulation or motions for extensions of time under 37 CFR 1.245 will not henceforth be approved or granted, respectively, unless accompanied by a detailed showing of facts sufficient to establish that the action for which the extension is sought could not have been or cannot be taken or completed during the time previously set therefor, and that the entire extension appears necessary for the taking or completion of that action. Since the Office favors the amicable settlement of interferences, the foregoing requirement will be liberally applied in the case of a first request for extension of time for the purpose of negotiating settlement.

Consequently, the examiner-in-chief may give favorable consideration to a motion for an extension of time for purposes of settlement; however, a further motion for an extension for that purpose would not be granted unless it is accompanied by a schedule of specific dates showing that the parties will make a good faith effort to promptly terminate the proceeding. If preliminary motions under 37 CFR 1.633 have not been filed, the examiner-in-chief would not normally extend the time for their filing merely for purposes of settlement. In these circumstances, the examiner-in-chief would require that the preliminary motions be filed or that their filing be waived.

If the proceeding is in the testimony stage, the examiner-in-chief could grant the parties' motion to extend all the unexpired testimony times to close concurrently on the date the record is due provided they file a stipulation that any evidence to be submitted will be in one of the forms specified in 37 CFR 1.672(e) and (f), i.e., affidavit testimony or a stipulation either as to what a particular witness would testify to if called or the facts in the case of any party.

Analogously, the aforesaid practice would apply to arbitration. Section 1.690 requires that parties who intend to arbitrate an interference notify the examiner-in-chief in writing of their intention to arbitrate and file a copy of the arbitration agreement within 20 days of its execution. Pursuant to 35 U.S.C. 135(c) an agreement to arbitrate is considered to be one "made in connection with and in contemplation of the termination of the interference." The agreement must be in writing a copy filed in the PTO within 20 days after its execution. The notification of intention to arbitrate must be made in a separate paper. Merely incorporating the notification in the agreement is not sufficient to comply with

§ 1.690(a). The parties also will be required to adhere to a time schedule approved by the examiner-in-chief such that the interference proceeding can be expeditiously resolved so as to prevent the unnecessary postponement of the beginning of the running of the term of any patent resulting from an application involved in the interference. *Pritchard v. Loughlin*, 361 F.2d 483, 149 USPQ 841 (CCPA 1966).

If the parties desire to arbitrate an interference prior to the close of the motion period, the examiner-in-chief will not normally grant an extension of time for the purpose. The parties will be required to file their preliminary motions under 37 CFR 1.633. After the motions are filed, the examiner-in-chief could grant an extension only upon compliance with 37 CFR 1.645 which requires a showing of "good cause." Such a "good cause" showing would normally include a schedule, agreed to by the parties, setting forth, *inter alia*, the dates for (1) executing the arbitration agreement, (2) determining priority and (3) terminating the interference.

Section 1.690(a) requires that an arbitration agreement include the following:

- (1) The name of the arbitrator or a date certain (not more than 30 days after the execution of the agreement) for his or her selection.
- (2) The issues to be decided by the arbitrator.
- (3) A provisions that the arbitrator's award is binding on the parties and that the Board can enter a judgment based thereon.

Section 1.690(c) requires that a copy of the arbitration award be filed within 20 days from the date of the award or by a date set by the examiner-in-chief.

If the proceeding is in the testimony stage and the parties desire to arbitrate, the examiner-in-chief could grant a reasonable extension for that purpose. A motion for a further extension for that purpose would not be granted unless it were accompanied by a schedule, agreed to by the parties, setting forth, *inter alia*, the dates for (1) executing the arbitration agreement, (2) determining priority, and (3) terminating the interference. If the parties are to submit the required schedule, a motion for a further extension could be granted. If the parties file a copy of the arbitration agreement and they agree that any evidence submitted in the proceeding will be in one of the forms specified by 37 CFR 1.672(e) or (f), the examiner-in-chief could give favorable consideration to the parties' motion that all the unexpired times be extended to close concurrently on the date the record is due. By that date, the parties would be required to file the arbitrator's award and their records, if necessary for the resolution of any issue not decided by the arbitrator. If the award is not dispositive of all the issues in the interference, the examiner-in-chief would set brief times so that parties could explain their evidence relating to any issues which the arbitrator did not, or was unable to decide. For example, the award might be dispositive of the issue of priority between the parties and leave for the Board's determination the question of substituting a new count raised in a preliminary motion under 37 CFR 1.633.

The arbitration award, filed by the parties, would be in the nature of a final decision and should include the following:

- (1) The style (e.g., *Jones v. Smith*), the number of the interference and the names of the real parties in interest.
- (2) The subject matter in issue, i.e., the counts and a table of counts, if necessary, indicating the relationship of the parties' claims corresponding to each count and those claims not corresponding thereto.
- (3) The issues for decision before the arbitrator.
- (4) The arbitrator's decision. The decision may also include a statement of the grounds and reasoning in support thereof.
- (5) A summary, if appropriate, indicating, *inter alia*, that judgment should be awarded to one of the parties.

Any party to the arbitration can attack the award only in the manner provided by 9 U.S.C. 10 and 11.

9 U.S.C. 10 reads as follows:

In either of the following cases the United States court in and for the district wherein the award was made may make an order vacating the award upon the application of any party to the arbitration—

- (a) Where the award was procured by corruption, fraud, or undue means.

- (b) Where there was evident partiality or corruption in the arbitrators, or either of them.

- (c) Where the arbitrators were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced.

- (d) Where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.

- (e) Where an award is vacated and the time within which the agreement required the award to be made has not expired the court may, in its discretion, direct a rehearing by the arbitrators.

9 U.S.C. 11 reads as follows:

In either of the following cases, the United States court in and for the district wherein the award was made may make an order modifying or correcting the award upon the application of any party to the arbitration—

- (a) Where there was an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property referred to in the award.

- (b) Where the arbitrators have awarded upon a matter not submitted to them, unless it is a matter not affecting the merits of the decision upon the matter submitted.

- (c) Where the award is imperfect in matter of form not affecting the merits of the controversy.

The order may modify and correct the award, so as to effect the intent thereof and promote justice between the parties.

See, for example, *Fairchild and Co., Inc. v. Richmond, F. and P. R. Co.*, 516 F.Supp. 1305 (D.D.C. 1981). If such an attack were to be made by one of the parties while the interference is pending before the Board, the Board would not stay the interference. Rather, the Board would issue its judgment in accordance with the award. So long as the award is in compliance with § 1.690, it would carry the presumption that the arbitrator acted correctly in making his decision and accordingly, the party designated by the award as the prevailing party would be entitled *prima facie* to a judgment in its favor. If the dissatisfied party brings an action in an appropriate United States district court and if the court vacates, modifies or corrects the award, the Board would take action consistent with the court's findings. No action would lie in the PTO to vacate or correct an arbitration award, unless all parties agreed in writing.

The following examples illustrate the practice of the PTO concerning arbitration.

Example 1

Arbitration Practice—Preliminary Stage

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. The parties decide to arbitrate the interference in accordance with § 1.690 and file a motion for an extension of time so that they can "freely" arbitrate the interference, but do not file a waiver of their right to file motions.

The examiner-in-chief would deny the motion because the parties' intention to arbitrate, in and of itself, does not constitute a showing of "good cause" within the meaning of 37 CFR 1.645(a). Even if the parties file an agreement to arbitrate, the PTO would not grant any extension of time to permit the parties to "freely" arbitrate an interference prior to the expiration of the time for filing preliminary motions.

Example 2

Arbitration Practice—Testimony Stage

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633. The parties file preliminary motions; the examiner-in-chief renders a decision thereon and sets the testimony times. The parties file a notice of intent to arbitrate the interference under § 1.690(a) and a motion for a one month extension of the testimony times. The

examiner-in-chief could grant the motion, but would indicate that if the parties file another motion for an extension for that purpose, the motion must be accompanied by a schedule, agreed to by the parties, setting forth the dates for (1) executing the arbitration agreement, (2) determining priority and (3) terminating the interference.

The parties file a motion for an additional one month extension of time to permit the parties to arbitrate the interference. Accompanying the motion is a proposed schedule of times and a copy of the arbitration agreement which provides, *inter alia*, (i) the name of the arbitrator or a date certain for his selection, (ii) that the arbitrator's award will be binding on the parties, (iii) the issues to be decided by the arbitrator and (iv) that the award will be filed by the date the record is due. The parties also indicate that the evidence to be filed in the proceeding will be in one of the forms specified by 37 CFR 1.672(e) or (f). The examiner-in-chief could grant the motion and indicate that he will give favorable consideration to a motion to extend all the unexpired times to close concurrently on the date the record is due should the parties request such.

On the date for filing the record, the parties file the arbitrator's award and their evidentiary records, if necessary. The award states (i) the style and number of the interference and the real parties in interest, (ii) the subject matter in issue and the parties' claims which correspond thereto and which do not correspond thereto, (iii) the issues for decision before the arbitrator, (iv) the arbitrator's decision (which may include a statement of the grounds and reasoning in support thereof) and (v) that judgment should be awarded to one of the parties. The examiner-in-chief examines the award to ensure that it complies with § 1.690 and is dispositive of the issues in the interference which can be decided by the arbitrator. If the award is otherwise acceptable, the Board would issue a judgment based on the award. If the award is not dispositive of all the issues in the interference, the examiner-in-chief would determine how the interference will proceed.

Example 3

Arbitration Practice—Award Decides Interference-in-Fact Issue and Junior Party Takes No Testimony

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. The junior party files a motion for judgment under 37 CFR 1.633(b) on the ground that there is no interference-in-fact between his claims corresponding to the count and his opponent's claims corresponding thereto. The examiner-in-chief denies the motion, examines the preliminary statements and sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference, notify the examiner-in-chief of their intent to arbitrate and file an arbitration agreement which is approved by the examiner-in-chief. On the date for filing the record, the junior party files the award together with a motion requesting that the interference be terminated in view of the award. He does not file a record. In his award the arbitrator holds that no interference-in-fact exists between the parties' claims corresponding to the count.

The motion would be denied because the award decides a matter of patentability which would not result in a judgment adverse to one of the parties. Consequently, the junior party would be placed under an order to show cause why judgment under 37 CFR 1.652 should not be entered against him for his failure to file an evidentiary record by the time set therefore. In response to the order, the junior party requests final hearing to review the examiner-in-chief's denial of the motion for judgment and a testimony period to show no interference-in-fact. The examiner-in-chief would grant the junior party's request to the extent that final hearing is set and would deny the request for testimony because the junior party already had the opportunity to take testimony on the matter.

Example 4

Arbitration Practice—Cannot Decide Patentability

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. The junior party files a motion for judgment under 37 CFR 1.633(a) on the ground that the claims corresponding to the count are unpatentable over prior art. In his decision on motions, the examiner-in-chief grants the motion and places both parties under an order pursuant to 37 CFR 1.640(d)(1) to show cause why judgment should not be entered against them as to the count. In response to the order, the senior party files a paper in accordance with 37 CFR 1.640(e) purportedly showing good cause why judgment should not be entered in accordance with the order and a motion requesting permission to arbitrate the patentability issue. The examiner-in-chief would deny the motion. The arbitrator is without authority to establish *vis-a-vis* the public that the subject matter of the court is patentable. Thus, the arbitration will serve no useful purpose. The Board would consider the senior party's paper and enter an appropriate order.

Example 5

Arbitration Practice—Award After Decision on Motions

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. The junior party files a motion for judgment under 37 CFR 1.633(a) on the ground that the claims corresponding to counts 1 and 2 are unpatentable over prior art. In his decision on motions, the examiner-in-chief grants the motion with respect to count 1, denies the motion with respect to count 2 and places both parties under an order pursuant to 37 CFR 1.640(d)(1) to show cause why judgment should not be entered against them as to count 1. The senior party files a paper in accordance with 37 CFR 1.640(e); the junior party, a response thereto. The Board considers the paper and the response thereto and based on the record enters judgment adverse to both parties as to count 1. Thereafter, the examiner-in-chief examines the preliminary statements and sets dates for taking testimony and filing the record.

During the testimony period, the parties decide to arbitrate the interference, notify the examiner-in-chief of their intent to arbitrate and file an arbitration agreement which is approved by the examiner-in-chief. In his award, the arbitrator decides that judgment should be awarded to the junior party. On the date for filing the record, both parties file the award together with a motion requesting that the interference be terminated in view of the award. No record is filed.

The motion would be granted and accordingly it would be held that the senior party is not entitled to a patent containing his claims corresponding to count 2.

Example 6

Arbitration Practice—Award Decides Patentability

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. No motions for judgment under 37 CFR 1.633 are filed and after the examination of the preliminary statements, the examiner-in-chief sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference, notify the examiner-in-chief of their intent to arbitrate and file an arbitration agreement which is approved by the examiner-in-chief. In his award, the arbitrator finds (1) that the evidence is insufficient to establish a prior public use bar under 35 U.S.C. 102(b) against the junior party, (2) that the claims of the junior party corresponding to the count are patentable under 35 U.S.C. 103 over the prior art cited by the senior party to the junior party, and (3) that judgment on priority should be awarded to junior party. On the date for filing together with a motion requesting that the interference be terminated in view of the award.

The motion would be granted and accordingly it would be held that the senior party is not entitled to a patent containing his claims corresponding to the count. After the termination of the proceeding, each party has the duty under 37 CFR 1.56 to bring before the primary examiner the evidence concerning the pur-

ported public use bar and the prior art cited by the senior party and/or considered by the arbitrator.

Example 7

Arbitration Practice—Award Grants Priority to Junior Party Contingent Upon Granting of Preliminary Motion Under 1.633(C)

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. The junior party files a motion under 37 CFR 1.633(c)(1) to substitute another count. The examiner-in-chief denies the motion, examines the preliminary statements and sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference, notify the examiner-in-chief of their intention to arbitrate and enter into an arbitration agreement which is approved by the examiner-in-chief. The agreement provides that any evidence to be submitted by the parties will be in the form of a stipulation under 37 CFR 1.672(e) and (f). The parties file a motion requesting that all the unexpired testimony times be extended to close concurrently on the date the record is due. The motion would be granted.

On the date for filing the record, the junior party files his record and the award. The award states, *inter alia*, that if the Board at final hearing should grant the junior party's motion under 37 CFR 1.633(c)(1) to substitute a new count, judgment should be awarded to the junior party based on the evidence. Otherwise, the award states that judgment should be awarded to the senior party.

The examiner-in-chief sets the brief times and after the filing thereof the interference would be set for final hearing so that the Board can review the examiner-in-chief's denial of the junior party's motion under 37 CFR 1.633(c) and issue an appropriate judgment based on the award.

Example 8

Arbitration Practice—Award Attacked

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. No preliminary motions are filed. The examiner-in-chief examines the preliminary statements and sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference, notify the examiner-in-chief of their intention to arbitrate and file an arbitration agreement which is approved by the examiner-in-chief.

On the date for filing the record, both parties file their records. The junior party files the award which states that judgment should be awarded to him and a motion for judgment based on that award. The senior party files an opposition to the motion for judgment on the grounds (i) that the award contains errors of law, (ii) that the award was procured by "corruption, fraud or undue means" in violation of 9 U.S.C. 10(a), and (iii) that the arbitrator exhibited "evident partiality" in violation of 9 U.S.C. 10(b) and was "guilty of misconduct * * * in refusing to hear evidence pertinent and material" to the interference, citing 9 U.S.C. 10(c).

The Board would grant the judgment based on the award, holding that the senior party is not entitled to a patent containing his claims corresponding to the count. So long as the award is in compliance with the provisions of § 1.690, it would carry a presumption that the arbitrator acted properly in all respects. Consequently, before the PTO the award is binding upon the parties and the junior party is *prima facie* entitled to a judgment in its favor. Thus, no action lies in the PTO as regards the matter raised by the senior party. The senior party's action lies in an appropriate United States district court and the PTO would take any action consistent with the court's decision.

Example 9

Arbitration Practice—Award Cannot Modify Board's Final Decision

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. No motions are filed. The examiner-in-chief examines the preliminary statements and sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference and enter into an arbitration agreement. Neither party notifies the examiner-in-chief of their intent to arbitrate nor do they file a copy of the agreement in the interference. Both parties timely file their records and briefs. Both waive oral argument. The Board enters a final decision after consideration of the evidence in favor of the senior party.

The junior party requests reconsideration of the Board's final decision, submits a copy of the arbitration award and moves that the Board set aside its final decision and enter judgment in his favor based on the award. In support of its request, the junior party cites 9 U.S.C. 9, which provides that "any party to the arbitration may apply to the court so specified for an order confirming the award" and 35 U.S.C. 135(d) which provides that title 9 applies to interference arbitrations.

The Board would deny the motion to set aside. The parties did not comply with § 1.690(a), i.e., notify the examiner-in-chief in writing of their intention to arbitrate and file a copy of the arbitration agreement within twenty (20) days of its execution. The denial of the motion is an appropriate sanction under 37 CFR 1.616. Such action by the Board is considered consistent with long-standing interference practice. Cf. *Humphrey v. Fickert*, 1904 Dec. Comm'r. Pat. 447 (Comm'r. 1904) wherein the Board, after it had considered the evidence, refused to set aside its award of priority to Fickert and act upon the Fickert's concession of priority in favor of Humphrey, the losing party.

Example 10

Arbitration Award Filed With Record—No Notice to Examiner-In-Chief

An interference is declared on or after Feb. 11, 1985. The examiner-in-chief sets a time in accordance with 37 CFR 1.611 for filing preliminary motions under 37 CFR 1.633 and preliminary statements. No motions are filed. The examiner-in-chief examines the preliminary statements and sets the testimony times.

During the testimony period, the parties decide to arbitrate the interference and enter into an arbitration agreement. Neither party notifies the examiner-in-chief of the agreement. The junior party timely files its record together with a copy of the arbitration award and a motion for judgment based on the award.

The motion would be denied. Under the provisions of 37 CFR 1.616, the examiner-in-chief would place both parties under an order to show cause why judgment should not be rendered against them for their failure to comply with 1.690(a), i.e., failing to notify him of their intent to arbitrate and file a copy of the arbitration agreement.

Discussion of Comments

One commentator suggested that the expression "An interference or any aspect thereof shall be arbitrated" in part (b) of proposed § 1.690 might be construed as going beyond the terms of the statute by authorizing an examiner-in-chief to require the parties to arbitrate an interference, and proposed that the quoted language be changed to "An arbitration proceeding under this section shall be conducted." To eliminate any possible misconception of the rule, this proposal has been adopted.

A second commentator suggested, by telephone, that a provision be added to proposed § 1.690 requiring that the arbitrator be familiar with United States interference practice, and that United States law be applied by the arbitrator in making the determination. He expressed the fear that a foreign arbitrator might reach a result contrary to established domestic law.

This suggestion has not been adopted. It is incumbent upon the parties to select the arbitrator, and to satisfy themselves as to his or her qualifications. Presumably if the arbitrator's decision is contrary to established law, any resulting patent would be subject to attack on that ground by a third party in subsequent litigation.

Another commentor stated that, with the arbitration rule, the PTO was "attempting to apply a band-aid to a system which cannot be cured by application of a band-aid," and that the first-to-file system should be adopted in place of the first-to-invent system. This suggestion is obviously far beyond the scope of the rule change under consideration. The first-to-invent system is mandated by statute and could not be replaced merely by a change in the rules. The purpose of § 1.690 is to establish a specific procedure governing the optional arbitration of interferences provided by section 105 of Pub. L. 98-622.

Other Considerations

This rule does not have a significant impact on the quality of the human environment or the conservation of natural resources.

The rule is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Order 12291, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce certified to the Small Business Administration that the rule will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) because arbitration intended to minimize expenses in interference cases.

The Patent and Trademark Office has determined that this rule is not a major rule under Executive Order 12291. The annual effects on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The rule will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., since no record keeping or reporting requirements within the coverage of the Act are placed upon the public.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Authority delegations, Conflicts of interest, Courts, Inventions and patents, Lawyers.

For the reasons set out in the preamble and under the authority given to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 135, Part 1 of Title 37 CFR is amended as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. New § 1.690 is added to Subpart E to read as follows:

§ 1.690 Arbitration of Interferences.

(a) Parties to a patent interference may determine the interference or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of Title 9, United States Code. The parties must notify the Board in writing of their intention to arbitrate. An agreement to arbitrate must be in writing, specify the issues to be arbitrated, the name of the arbitrator or a date not more than thirty (30) days after the execution of the agreement for the selection of the arbitrator, and provide that the arbitrator's award shall be binding on the parties and that judgment thereon can be entered by the Board. A copy of the agreement must be filed within twenty (20) days after its execution. The parties shall be solely responsible for the selection of the arbitrator and the rules for conducting proceedings before the arbitrator. Issues not disposed of by arbitration will be resolved in accordance with the procedures established in 37 CFR, Subpart E of Part 1, as determined by the examiner-in-chief.

(b) An arbitration proceeding under this section shall be conducted within such time as may be authorized on a case-by-case basis by an examiner-in-chief.

(c) An arbitration award will be given no consideration unless it is binding on the parties, is in writing and states in a clear and definite manner (1) the issue or issues arbitrated and (2) the disposition of each issue. The award may also include a statement of the grounds and reasoning in support thereof. Unless otherwise ordered by an examiner-in-chief, the parties shall give notice to the Board of an arbitration award by filing within twenty (20) days from the date of the award a copy of the award signed by the arbitrator or arbitrators. When an award is timely filed, the award shall, as to the parties to the arbitration, be dispositive of the issue or issues to which it relates.

(d) An arbitration award shall not preclude the Office from determining patentability of any invention involved in the interference.

Mar. 16, 1987.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[FR Doc. 87-9373 Filed 4-24-87; 8:45 am]
BILLING CODE 3510-16-M

[1080 OG 15]

(169) Disclosure Document Program

This notice consolidates and supersedes the notices of Mar. 26, 1969 (862 O.G. 1) and Aug. 11, 1970 (878 O.G. 1) relating to the Patent Office Disclosure Document Program. Under this program the Patent Office accepts and preserves, for a period of two years, papers referred to as "Disclosure Documents." These papers may be used as evidence of the dates of conception of inventions.

The Program

A paper disclosing an invention and signed by the inventor or inventors may be forwarded to the Patent Office by the inventor (or by any one of the inventors when there are joint inventors), by the owner of the invention, or by the attorney or agent of the inventor(s) or owner. It will be retained for two years and then be destroyed unless it is referred to in a separate letter in a related patent application within said two years.

A Disclosure Document is not a patent application and the date of its receipt in the Patent Office will not become the effective filing date of any patent application subsequently filed. However, like patent applications, these documents will be kept in confidence by the Patent Office. If patent protection is desired, a patent application should be filed as soon as possible.

This program does not diminish the value of conventional witnessed and notarized records as evidence of conception of an invention, but it should provide a more credible form of evidence than that provided by the popular practice of mailing a disclosure to oneself or another person by registered mail. The program is made available as a service to those persons desiring to use it.

Content of Disclosure Document

Although there are no restrictions as to content and claims are not necessary, the benefits afforded by a Disclosure Document will depend directly upon the adequacy of the disclosure. Therefore, it is strongly urged that the document contain a clear and complete explanation of the manner and process of making and using the invention in sufficient detail to enable a person having ordinary knowledge in the field of the invention to make and use the invention. When the nature of the invention permits, a drawing or sketch should be included. The use or utility of the invention should be described, especially in chemical inventions.

The Disclosure Document must be limited to written matter or drawings on paper or other thin, flexible material, such as linen or plastic drafting material, having dimensions or being folded to dimensions not to exceed 8 1/2 by 13 inches. Photographs also are acceptable. Each page should be numbered. Text and drawi

ings should be sufficiently dark to permit reproduction with commonly used office copying machines.

A \$10 fee is charged for filing a Disclosure Document. Payment must accompany the Disclosure Document when it is submitted to the Patent Office.

In addition to the \$10 fee, the Disclosure Document must be accompanied by a stamped, self-addressed envelope and a separate paper in duplicate, signed by the inventor, stating that he is the inventor and requesting that the material be received for processing under the Disclosure Document Program. The papers will be stamped by the Patent Office with an identifying number and date of receipt, and the duplicate request will be returned in the self-addressed envelope together with a warning notice indicating that the Disclosure Document may be relied upon only as evidence and that a patent application should be diligently filed if patent protection is desired. The inventor's request may take the following form:

"The undersigned, being the inventor of the disclosed invention, requests that the enclosed papers be accepted under the Disclosure Document Program, and that they be preserved for a period of two years."

Retention

The Disclosure Document will be preserved in the Patent Office for two years after its receipt and will then be destroyed unless it is referred to in a separate letter in a related patent application filed within the two-year period. The Disclosure Document must be referred to in the separate letter by title, number, and date of receipt. Acknowledgment of receipt of such letters will be made in the next official communication or in separate letter from the Patent Office. Unless it is desired to have the Patent Office retain the Disclosure Document beyond the two-year period, it is not required that it be referred to in a patent application.

Warning as to Limitations

The two-year retention period should not be considered to be a "grace period" during which the inventor can wait to file his patent application without possible loss of benefits. It should be recognized that in establishing priority of invention an affidavit or testimony referring to a Disclosure Document must usually also establish diligence in completing the invention or in filing the patent application since the filing of the Disclosure Document.

Inventors are also reminded that any public use or sale in the United States, or publication of the invention anywhere in the world, more than one year prior to the filing of a patent application on that invention will prohibit the granting of a patent on that invention.

If the inventor is not familiar with what is considered to be "diligence in completing the invention" or "reduction to practice" under the patent law, or if he has other questions about patent matters, the Patent Office advises him to consult an attorney or agent registered to practice before the Patent Office. Patent attorneys and agents may be found in the telephone directories of most major cities. Also, many large cities have associations of patent attorneys which may be consulted.

RICHARD A. WAHL,
Assistant Commissioner
of Patents.

Jan. 4, 1971.

[883 O.G. 3]

(170) Service of Process and Testimony of Employees of the Patent and Trademark Office and Production of Documents in Legal Proceedings

The Patent and Trademark Office (PTO) is adding Parts 15 and 15a to Title 37 of the Code of Federal Regulations. Part 15 concerns service of process on the Commissioner, the Patent and Trademark Office, and employees of the Patent and Trademark Office in their official capacity. Part 15a concerns the

testimony of PTO employees regarding official matters and the production of official documents in legal proceedings. Parts 15 and 15a were effective upon publication in the Federal Register. 54 FR 3976-8 (Jan. 26, 1989).

In addition, §§ 1701 and 1701.01 of the Manual of Patent Examining Procedure and §§ 1801 and 1801.01 of the Trademark Manual of Examining Procedure are amended, as indicated below, effective immediately.

Parts 15 and 15a, §§ 1701 and 1701.01 of the Manual of Patent Examining Procedure and §§ 1801 and 1801.01 of the Trademark Manual of Examining Procedure are published in this notice as a convenience to the public. In addition to these materials, the Patent and Trademark Office alerts the public to its position with respect to *Standard Packaging Corp. v. Curwood, Inc.*, 365 F. Supp. 134, 180 USPQ 234 (N.D. Ill. 1973). In the past, parties have attempted, based on *Standard Packaging*, to obtain answers to questions which the Patent and Trademark Office has regarded to be improper. While the Patent and Trademark Office believes *Standard Packaging* accurately states the law, the Office believes that the court misapplied the law to the precise questions in issue. Accordingly, the Office agrees with the Federal Circuit's observation in *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 432, 8 USPQ 2d 1853, 1857 (Fed. Cir. 1988), that there is considerable doubt whether *Standard Packaging* was correctly decided. The Patent and Trademark Office will not permit examiners to answer questions similar to those which the *Standard Packaging* court found acceptable.

Department of Commerce
Patent and Trademark Office
37 CFR Parts 15 and 15a

[Docket No. 9106-9006]
Service of Process and Testimony of
Employees of the Patent and Trademark
Office and Production of
Documents in Legal Proceedings

Agency: Patent and Trademark Office.

Action: Final rule.

Summary: The Patent and Trademark Office is adding 37 CFR Parts 15 and 15a to supplement 15 CFR Parts 15 and 15a. These new parts prescribe policies and procedures to be followed with respect to service of process on the Patent and Trademark Office, the Commissioner of Patents and Trademarks, and employees of the Office, the testimony of Office employees regarding official matters, and the production of official documents in legal proceedings. These regulations serve as a statement of Office policy and provide comprehensive guidelines for the Office and its employees, outside agencies, and other persons regarding the appropriate procedures for service of process, testimony, and production of documents.

Effective date: Jan. 26, 1989.

For Further Information Contact: Associate Solicitor John W. Dewhirst by mail at Box 8, U.S. Patent and Trademark Office, Washington, D.C. 20231 and by phone at (703) 557-4035.

Supplementary Information: These regulations are designed to supplement, and be construed consistent with, 15 CFR Parts 15 and 15a. The regulations in Part 15a state the views of the Office with respect to the permissible scope of testimony which may be given by Office employees in connection with their performance of quasi-judicial patent and trademark matters. These Office views are consistent with *United States v. Morgan*, 313 U.S. 409, 422 (1941); *Western Electric Co., Inc. v. Piezo Technology, Inc. v. Quigg*, No. 88-1216, 860 F.2d 428, 8 USPQ 2d 1853 (Fed. Cir. Nov. 1, 1988); *In re Mayewsky*, 162 USPQ 86, 89 (E.D. Va. 1969), and *Shaffer Tool Works v. Joy Mfg. Co.*, 167 USPQ 170 (S.D. Tex. 1970).

Because these regulations concern agency management and personnel, they are not rules or regulations within the meaning of section 1(a) of Executive Order 12291, and they are not subject to the requirements of that Order. Accordingly, no preliminary or final regulatory impact analysis has to be or will be prepared.

These regulations, relating to agency management and personnel, are exempt from all requirements of section 553 of the

Administrative Procedure Act [5 USC 553] {including a delayed effective date and therefore will be effective immediately upon publication in the Federal Register.

Because a notice of proposed rule making and an opportunity for public comments are not required to be given for these regulations by section 553 of the APA, or by any other law, no regulatory flexibility analysis has to be or will be prepared for purposes of the Regulatory Flexibility Act [5 U.S.C. 603(a) and 604(a)].

This final rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

This rule does not contain collections of information for purposes of the Paperwork Reduction Act.

List of subjects in 37 CFR Parts 15 and 15a:

Attorneys, Administrative practice and procedure, Courts, Government employees.

For the reasons set forth in the preamble, 37 CFR is amended as follows:

1. Part 15 is added to read as follows:

Part 15 Service of Process

Sec.

15.1 Scope and purpose

15.2 Definitions

15.3 Acceptance of service of process

Authority: 5 U.S.C. 301; 15 U.S.C. 1501, 1512, 1513, 1515, and 1518; Reorganization Plan No. 5 of 1950; 44 U.S.C. 3101; 15 CFR 15.2(a).

§ 15.1 *Scope and Purpose.*

(a) This part supplements 15 CFR Part 15 and sets forth the procedures to be followed when a summons or complaint is served on the Office or the Commissioner or an employee of the Office in his or her official capacity. This part is to be construed consistent with 15 CFR Part 15.

(b) This part is intended to ensure the orderly execution of the affairs of the Office and not to impede any legal proceeding.

(c) This part does not apply to subpoenas. The procedures to be followed with respect to subpoenas are set out in Part 15a of this Title.

(d) This part does not apply to service of process made on an Office employee personally on matters not related to official business of the Office or to the official responsibilities of the Office employee.

§ 15.2 *Definitions.*

For the purpose of this part:

(a) "Commissioner" means Assistant Secretary and Commissioner of Patents and Trademarks.

(b) "Legal proceeding" means a proceeding before a tribunal constituted by law, including a court, an administrative body or commission, or an administrative law judge or hearing officer.

(c) "Office" means Patent and Trademark Office.

(d) "Office employee" means any officer or employee of the Office.

(e) "Official business" means the authorized business of the Office.

(f) "Solicitor" means the chief legal officer of the Office or other Office employee to whom the Solicitor has delegated authority to act under this part.

§ 15.3 *Acceptance of service of process*

(a) Any summons or complaint to be served in person or by registered or certified mail or as otherwise authorized by law on the Office or the Commissioner or an Office employee in his or her official capacity, shall be served on the Solicitor or an Office employee designated by the Solicitor.

(b) Any summons or complaint to be served by mail may be addressed to Solicitor, P.O. Box 15667, Arlington, Va. 22215. Any summons or complaint to be served by hand may be delivered to the Office of the Solicitor.

(c) Any Office employee served with a summons or complaint shall immediately notify and deliver the summons or complaint to the Office of the Solicitor.

(d) Any Office employee receiving a summons or complaint shall note on the summons or complaint the date, hour, and place of service and whether service was by personal delivery or by mail.

(e) When a legal proceeding is brought to hold an Office employee personally liable in connection with an action taken in the conduct of official business, rather than liable in an official capacity, the Office employee by law is to be served personally with process. Service of process in this case is inadequate when made upon the Solicitor or the Solicitor's designee. Any Office employee sued personally for an action taken in the conduct of official business shall immediately notify and deliver a copy of the summons or complaint to the Office of the Solicitor.

(f) An Office employee sued personally in connection with official business may be represented by the Department of Justice at its discretion. See 28 CFR 50.15 and 50.16 (1987).

(g) The Solicitor or Office employee designated by the Solicitor, when accepting service of process for an Office employee in an official capacity, shall endorse on the Marshal's or server's return of service form or receipt for registered or certified mail the following statement: "Service accepted in official capacity only." The statement may be placed on the form or receipt with a rubber stamp.

(h) Upon acceptance of service or receiving notification of service, as provided in this section, the Solicitor shall take appropriate steps to protect the rights of the Commissioner or Office employee involved.

2. Part 15a is added to read as follows:

Part 15a Testimony by Employees and the Production of Documents in Legal Proceedings

Sec.

15a.1 Scope

15a.2 Definitions

15a.3 Office policy

15a.4 Testimony or production of documents; general rule

15a.5 Testimony of Office employees in proceedings involving the United States

15a.6 Legal proceedings between private litigants

15a.7 Procedures when an Office employee receives a subpoena

Authority: 5 U.S.C. 301; 15 U.S.C. 1501, 1512, 1513, 1515, and 1518; Reorganization Plan No. 5 of 1950; 44 U.S.C. 3101; 15 CFR 15a.1(e) and 15a.2(f).

§ 15a.1 *Scope*

(a) This part supplements 15 CFR Part 15a and prescribes the policies and procedures of the Office with respect to the testimony of Office employees as witnesses in legal proceedings and the production of documents of the Office for use in legal proceedings pursuant to a request, order, or subpoena. This part is issued pursuant to 15 CFR 15a.1(e) and is to be construed consistent with 15 CFR Part 15a.

(b) This part does not apply to any legal proceeding in which an Office employee is to testify, while on leave status, as to facts or events that are in no way related to the official business of the Office.

(c) This part is intended to ensure the orderly execution of the affairs of the Office and not to impede any legal proceeding and in no way affects the rights and procedures governing public access to records pursuant to the Freedom of Information Act or the Privacy Act. See 15 CFR 15a.4 and 37 CFR 1.15.

§ 15a.2 *Definitions.*

For the purpose of this part:

(a) "Commissioner" means Assistant Secretary and Commissioner of Patents and Trademarks.

(b) "Demand" means a request, order, or subpoena for testimony or documents for use in a legal proceeding.

(c) "Document" means any record, paper, and other property held by the Office, including without limitation official patent and trademark files, official letters, telegrams, memoranda, reports, studies, calendar and diary entries, maps, graphs, pamphlets, notes, charts, tabulations, analyses, statistical or informational accumulations, any kind of summaries of meetings and conversations, film impressions, magnetic tapes, and sound or mechanical reproductions.

(d) "Legal proceeding" means a proceeding before a tribunal constituted by law, including a court, an administrative body or commission, an administrative law judge or hearing officer or any discovery proceeding in support thereof.

(e) "Office" means Patent and Trademark Office.

(f) "Office employee" means any officer or employee of the Office.

(g) "Official business" means the authorized business of the Office.

(h) "Solicitor" means the chief legal officer of the Office or other Office employee to whom the Solicitor has delegated authority to act under this part.

(i) "Testimony" means a statement given in person before a tribunal or by deposition for use before the tribunal or any other statement given for use before a tribunal in a legal proceeding, including an affidavit, declaration under 35 U.S.C. 25, or declaration under 28 U.S.C. 1746.

(j) "United States" means the Federal Government, its departments and agencies, and individuals acting on behalf of the Federal Government.

§ 15a.3 Office policy.

The Office policy is that its documents will not be voluntarily produced and Office employees will not voluntarily appear as witnesses or give testimony in a legal proceeding. The reasons for this policy include:

(a) To conserve the time of Office employees for conducting official business.

(b) To minimize the possibility of involving the Office in controversial or other issues which are not related to the mission of the Office.

(c) To prevent the possibility that the public will misconstrue variances between personal opinions of Office employees and Office policy.

(d) To avoid spending the time and money of the United States for private purposes.

(e) To preserve the integrity of the administrative process, minimize disruption of the decision-making process, and prevent interference with the Office's administrative functions.

§ 15a.4 Testimony or production of documents; general rule

(a) No Office employee shall give testimony concerning the official business of the Office or produce any document in any legal proceeding without the prior authorization of the Solicitor. Where appropriate, an Office employee may be instructed in writing by the Commissioner, Solicitor, or other appropriate Office employee not to give testimony or produce a document. Without prior approval, no Office employee shall answer inquiries from a person not employed by the Department of Commerce regarding testimony or documents subject to a demand or a potential demand under the provisions of this Part. All inquiries involving a demand or potential demand on an Office employee shall be referred to the Solicitor.

(b) A certified copy of a document, not otherwise available under Chapter I of this Title, will be provided for use in a legal proceeding upon written request and payment of applicable fees required by law.

(c)(1) *Request for testimony or document.* A request for testimony of an Office employee or document shall be mailed or hand-delivered to the Office of the Solicitor. The mailing address of the Office of the Solicitor is Box 8, Patent and Trademark Office, Washington, D.C. 20231.

(2) *Subpoenas.* A subpoena for testimony by an Office employee or a document shall be served in accordance with the Federal Rules of Civil or Criminal Procedure as appropriate, or

applicable state procedure, and a copy of the subpoena shall be sent to the Solicitor.

(3) *Affidavit.* Every request and subpoena shall be accompanied by an affidavit or declaration under 28 U.S.C. 1746 or, if an affidavit or declaration is not feasible, a written statement setting forth the title of the legal proceeding, the forum, the requesting party's interest in the legal proceeding, the reasons for the request or subpoena, a showing that the desired testimony or document is not reasonably available from any other source, and if testimony is requested, the intended use of the testimony, a general summary of the testimony desired, and a showing that no document could be provided and used in lieu of testimony. The purpose of this requirement is to permit the Solicitor to make an informed decision as to whether testimony or production of a document should be authorized.

(d) Any Office employee who is served with a demand shall immediately notify the Office of the Solicitor.

(e) The Solicitor may consult or negotiate with an attorney for a party or the party, if not represented by an attorney, to refine or limit a demand so that compliance is less burdensome or obtain information necessary to make the determination required by paragraph (c) of this section. Failure of the attorney or party to cooperate in good faith to enable an informed determination to be made under this part may serve as the basis for a determination not to comply with the demand.

(f) A determination under this part to comply or not to comply with a demand is not an assertion or waiver of privilege, lack of relevance, technical deficiencies or any other ground for non-compliance. The Commissioner reserves the right to oppose any demand on any legal ground independent of any determination under this part.

§ 15a.5 Testimony of Office employees in proceedings involving the United States.

(a) An Office employee may not testify as an expert or opinion witness for any party other than the United States.

(b) When appropriate, the Solicitor may authorize an Office employee to give testimony as an expert or opinion witness on behalf of the United States. Expert or opinion testimony on behalf of the United States will not be authorized in any legal proceeding involving the validity or enforceability of a patent or registered trademark.

(c) Whenever, in any legal proceeding involving the United States, a request is made by an attorney representing or acting under the authority of the United States, the Solicitor will make all necessary arrangements for the Office employee to give testimony on behalf of the United States. Where appropriate, the Solicitor may require reimbursement to the Office of the expenses associated with an Office employee giving testimony on behalf of the United States.

§ 15a.6 Legal proceedings between private litigants

(a) Testimony by an Office employee and production of documents in a legal proceeding not involving the United States shall be governed by § 15a.4.

(b) If an Office employee is authorized to give testimony in a legal proceeding, the testimony, if otherwise proper, shall be limited to facts within the personal knowledge of the Office employee. An Office employee is prohibited from giving expert or opinion testimony, answering hypothetical or speculative questions, or giving testimony with respect to subject matter which is privileged. If an Office employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Office, that employee is further prohibited from giving testimony in response to questions which seek:

(1) Information about that employee's:

(i) Background.

(ii) Expertise.

(iii) Qualifications to examine or otherwise consider a particular patent or trademark application.

(iv) Usual practice or whether the employee followed a procedure set out in any Office manual of practice in a particular case.

(v) Consultation with another Office employee.

(vi) Understanding of:

(A) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.

(B) Prior art.

(C) Registered subject matter, subject matter sought to be registered, or trademark application, registration, opposition, cancellation, interference or concurrent use file.

(D) Any Office manual of practice.

(E) Office regulations.

(F) Patent, trademark, or other law.

(G) The responsibilities of another Office employee.

(vii) Reliance on particular facts or arguments.

(2) To inquire into the manner in and extent to which the employee considered or studied material in performing the quasi-judicial function.

(3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

§ 15a.7 Procedures when an Office employee receives a subpoena.

(a) Any Office employee who receives a subpoena shall immediately forward the subpoena to the Office of the Solicitor. The Solicitor will determine the extent to which an Office employee will comply with the subpoena.

(b) If the Office employee is not authorized to comply with the subpoena, the Office employee shall appear at the time and place stated in the subpoena, produce a copy of Part 15a of Title 15 and a copy of this part, and respectfully refuse to provide any testimony or produce any document. *United States ex rel. Touhy v. Ragen*, 340 U.S. 462 (1951).

(c) When necessary or appropriate, the Solicitor will request assistance from the Department of Justice or a U.S. Attorney or otherwise assure the presence of an attorney to represent the interests of the Office or an Office employee.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

Dec. 23, 1988.

Revisions to §§ 1701 and 1701.01 of MPEP

§ 1701 Office personnel not to express opinion on validity or patentability of patent

Every patent is presumed to be valid. 35 U.S.C. § 282, first sentence. Public policy demands that every employee of the Patent and Trademark Office refuse to express to any person any opinion as to the validity or invalidity of, or the patentability or unpatentability of any claim in any U.S. Patent, except to the extent necessary to carry out (a) examination of an application seeking to reissue the patent, (b) a reexamination proceeding to reexamine the patent, or (c) an interference involving the patent.

The question of validity or invalidity is otherwise exclusively a matter to be determined by a court. Members of the patent examining corps are cautioned to be especially wary of any inquiry from any person outside the Patent and Trademark Office, including an employee of another Government agency, the answer to which might indicate that a particular patent should not have issued.

When a field of search for an invention is requested, examiners should routinely inquire whether the invention has been patented in the United States. If the invention has been patented, no field of search should be suggested.

Employees of the Patent and Trademark Office, particularly patent examiners who examined an application which matured into a patent or a reissued patent or who conducted a reexamination proceeding, should not discuss or answer inquiries from any person outside the Patent and Trademark Office as to whether or not a certain reference or other particular evidence was considered during the examination or proceeding and whether or not a claim would have been allowed over that reference or other

evidence had it been considered during the examination or proceeding. Likewise, employees are cautioned against answering any inquiry concerning any entry in the patent or reexamination file, including the extent of the field of search and any entry relating thereto. The record of the file of a patent or reexamination proceeding must speak for itself.

Practitioners can be of material assistance in this regard by refraining from making improper inquiries of members of the patent examining corps. Inquiries from members of the public relating to the matters discussed above must of necessity be refused and such refusal should not be considered discourteous or an expression of opinion as to validity or patentability.

§ 1701.01 Office personnel not to testify

[Reprint: 37 CFR 15a.1
37 CFR 15a.2
37 CFR 15a.3
37 CFR 15a.4
37 CFR 15a.5
37 CFR 15a.6
37 CFR 15a.7]

It is the policy of the Patent and Trademark Office that its employees, including patent examiners, will not appear as witnesses or give testimony in legal proceedings, except under the conditions specified in 37 CFR Part 15a. Any employee who testifies contrary to this policy will be *dismissed or removed*. The reasons for this policy are set out in 37 CFR 15a.3.

Whenever an employee of the Patent and Trademark Office, including a patent examiner, is asked to testify or receives a subpoena, the employee shall immediately notify the Office of the Solicitor. Inquiries requesting testimony shall be also referred immediately to the Office of the Solicitor.

Patent examiners and other Patent and Trademark Office employees performing or assisting in the performance of quasi-judicial functions, are forbidden to testify as experts or to express opinions as to the validity of any patent.

Any individual desiring the testimony of an employee of the Patent and Trademark Office, including the testimony of a patent examiner or other quasi-judicial employee, must comply with the provisions of 37 CFR Part 15a.

A request for testimony of an employee of the Patent and Trademark Office should be made to the Office of the Solicitor at least ten working days prior to the date of the expected testimony.

If an employee is authorized to testify, the employee will be limited to testifying about facts within the employee's personal knowledge. Employees are prohibited from giving expert or opinion testimony. *Fischer & Porter Co. v. Corning Glass Works*, 61 F.R.D. 321, 181 USPQ 329 (E.D. Pa. 1974). Likewise, employees are prohibited from answering hypothetical or speculative questions. *In re Mayewsky*, 162 USPQ 86, 89 (E.D. Va. 1969) (deposition of an examiner must be restricted to relevant matters of fact and must avoid any hypothetical or speculative questions or conclusions based thereon); *Shaffer Tool Works v. Joy Mfg. Co.*, 167 USPQ 170 (S.D. Tex. 1970) (deposition of examiner should be limited to matters of fact and must not go into hypothetical or speculative areas or the bases, reasons, mental processes, analyses, or conclusions of the examiner in acting upon a patent application). Employees will not be permitted to give testimony with respect to subject matter which is privileged. Several court decisions limit testimony with respect to quasi-judicial functions performed by employees. Those decisions include *United States v. Morgan*, 313 U.S. 409, 422 (1941) (improper to inquire into mental processes of quasi-judicial officer or to examine the manner and extent to which the officer considered an administrative record); *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 8 USPQ 2d 1853 (Fed. Cir. 1988) (patent examiner may not be compelled to answer questions which probe the examiner's technical knowledge of the subject matter of a patent); *McCulloch Gas Processing Co. v. Department of Energy*, 650 F.2d 1216, 1229 (Temp. Emer. Ct. App. 1981) (discovery of degree of expertise of individuals performing governmental functions not permitted); *In re Nilssen*, 851 F.2d 1401, 7 USPQ 2d 1500 (Fed. Cir. 1988) (technical or scientific qualifications of examiners-in-chief are not legally relevant in appeal under 35 U.S.C. § 134 since board members need not be skilled in the art to render obviousness decision); *Lange v. Commissioner*, 352 F. Supp.

166, 176 USPQ 162 (D.D.C. 1972) (technical qualifications of examiners-in-chief not relevant in § 145 action).

In view of the discussion above, if an employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Patent and Trademark Office, the employee will not be permitted to give testimony in response to questions which seek:

- (1) Information about that employee's:
 - (A) Background.
 - (B) Expertise.
 - (C) Qualifications to examine or otherwise consider a particular patent or trademark application.
 - (D) Usual practice or whether the employee followed a procedure set out in any Office manual of practice (including the MPEP or TMEP) in a particular case.
 - (E) Consultation with another Office employee.
 - (F) Understanding of:
 - (i) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.
 - (ii) Prior art.
 - (iii) Registered subject matter, subject matter sought to be registered, or a trademark application, registration, opposition, cancellation, interference or concurrent use file.
 - (iv) Any Office manual of practice.
 - (v) Office regulations.
 - (vi) Patent, trademark, or other law.
 - (vii) The responsibilities of another Office employee.
 - (G) reliance on particular facts or arguments.
- (2) To inquire into the manner in and extent to which the employee considered or studied material in performing a quasi-judicial function.
- (3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

Any request for testimony addressed or delivered to the Office of the Solicitor shall comply with 37 CFR 15a.4(c). All requests must be in *writing*. The need for a subpoena may be obviated where the request complies with 37 CFR 15a.4(c) if the party requesting the testimony further meets the following conditions:

- (1) The party requesting the testimony identifies the civil action or other legal proceeding for which the testimony is being taken. The identification shall include:
 - (a) the style of the case,
 - (b) the civil action number,
 - (c) the district in which the civil action is pending,
 - (d) the judge assigned to the case, and
 - (e) the name, address, and telephone number of counsel for all parties in the civil action.
- (2) The party agrees not to ask questions seeking information which is precluded by 37 CFR 15a.6(b).
- (3) The party shall comply with applicable provisions of the Federal Rules of Civil Procedure, including Rule 30, and give ten working days notice to the Office of the Solicitor prior to the date a deposition is desired. Fifteen working days notice is required for any deposition which is desired to be taken between Nov. 15 and Jan. 15.
- (4) The party agrees to notice the deposition at a place convenient to the Patent and Trademark Office. The Conference Room in the Office of the Solicitor is deemed to be a place convenient to the Office.
- (5) The party agrees to supply a copy of the transcript of the deposition to the Patent and Trademark Office for its records.

Absent a written agreement meeting the conditions specified in paragraphs (1) through (5), a party must comply with the precise terms of 37 CFR 15a.4(c) and the Patent and Trademark Office will not permit a deposition without issuance of a subpoena.

* * * * *

Revisions to §§ 1801 and 1801.01 of TMEP

§ 1801 Office personnel not to express opinion on validity of registered trademark

A certificate of registration of a trademark on the Principal Register is *prima facie* evidence of the validity of the registration. 15 U.S.C. {g49 1057(b). Public policy demands that every employee of the Patent and Trademark Office refuse to express to any person any opinion as to the validity of any registered trademark, except to the extent necessary to carry out *inter partes* proceedings at the Trademark Trial and Appeal Board in cancellation and similar proceedings authorized by law.

The question of validity of a registered trademark is otherwise exclusively a matter to be determined by a court. Members of the trademark examining operation are cautioned to be especially wary of any inquiry from any person outside the Patent and Trademark Office, including an employee of another Government agency, the answer to which might indicate that a particular registration should not have been published or issued.

Employees of the Patent and Trademark Office, particularly trademark examining attorneys who examined an application should not discuss or answer inquiries from any person outside the Patent and Trademark Office as to whether or not a certain registration or other particular evidence was considered during the examination of the application or whether a trademark would have been published or registered if the registration or other evidence had been considered during the examination. Likewise, employees are cautioned against answering any inquiry concerning any entry in the trademark registration file, including the extent of the field of search and any entry relating thereto. The record of the file of a trademark registration or *inter partes* proceedings before the Trademark Trial and Appeal Board must speak for itself.

Practitioners can be of material assistance in this regard by refraining from making improper inquiries of members of the trademark examining operation. Inquiries from members of the public relating to the matters discussed above must of necessity be refused and such refusal should not be considered discourteous or an expression of opinion as to validity of any registration.

§ 1801.01 Office personnel not to testify

- [Reprint: 37 CFR 15a.1
- 37 CFR 15a.2
- 37 CFR 15a.3
- 37 CFR 15a.4
- 37 CFR 15a.5
- 37 CFR 15a.6
- 37 CFR 15a.7]

It is the policy of the Patent and Trademark Office that its employees, including trademark examining attorneys, will not appear as witnesses or give testimony in legal proceedings, except under the conditions specified in 37 CFR Part 15a. Any employee who testifies contrary to this policy will be *dismissed* or *removed*. The reasons for this policy are set out in 37 CFR 15a.3.

Whenever an employee of the Patent and Trademark Office, including a trademark examining attorney, is asked to testify or receives a subpoena, the employee shall immediately notify the Office of the Solicitor. Inquiries requesting testimony shall be also referred immediately to the Office of the Solicitor.

Trademark examining attorneys and other Patent and Trademark Office employees performing or assisting in the performance of quasi-judicial functions, are forbidden to testify as experts or to express opinions as to the validity of any registration.

Any individual desiring the testimony of an employee of the Patent and Trademark Office, including the testimony of a trademark examining attorney or other quasi-judicial employee, must comply with the provisions of 37 CFR Part 15a.

A request for testimony of an employee of the Patent and Trademark Office should be made to the Office of the Solicitor at least *ten working days* prior to the date of the expected testimony.

If an employee is authorized to testify, the employee will be limited to testifying about facts within the employee's personal knowledge. Employees are prohibited from giving expert or opinion testimony. *Fischer & Porter Co. v. Corning Glass*

Works, 61 F.R.D. 321, 181 USPQ 329 (E.D. Pa. 1974). Likewise, employees are prohibited from answering hypothetical or speculative questions. *In re Mayewsky*, 162 USPQ 86, 89 (E.D. Va. 1969) (deposition of an examiner must be restricted to relevant matters of fact and must avoid any hypothetical or speculative questions or conclusions based thereon); *Shaffer Tool Works v. Joy Mfg. Co.*, 167 USPQ 170 (S.D. Tex. 1970) (deposition of examiner should be limited to matters of fact and must not go into hypothetical or speculative areas or the bases, reasons, mental processes, analyses, or conclusions of the examiner in acting upon an application). Employees will not be permitted to give testimony with respect to subject matter which is privileged. Several court decisions limit testimony with respect to quasi-judicial functions performed by employees. Those decisions include *United States v. Morgan*, 313 U.S. 409, 422 (1941) (improper to inquire into mental processes of quasi-judicial officer or to examine the manner and extent to which the officer considered an administrative record); *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 8 USPQ 2d 1583 (Fed. Cir. 1988) (patent examiner may not be compelled to answer questions which probe the examiner's technical knowledge of the subject matter of a patent); *McCulloch Gas Processing Co. v. Department of Energy*, 650 F.2d 1216, 1229 (Temp. Emer. Ct. App. 1981) (discovery of degree of expertise of individuals performing governmental functions not permitted); *In re Nilssen*, 851 F.2d 1401, 7 USPQ 2d 1500 (Fed. Cir. 1988) (technical or scientific qualifications of examiners-in-chief are not legally relevant in appeal under 35 U.S.C. § 491.34 since board members need not be skilled in the art to render obviousness decision); *Lance v. Commissioner*, 352 F. Supp. 166, 176 USPQ 162 (D.D.C. 1972) (technical qualifications of examiners-in-chief not relevant in Sec. 145 action).

In view of the discussion above, if an employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Patent and Trademark Office, the employee will not be permitted to give testimony in response to questions which seek:

(1) Information about that employee's:

- (A) Background.
- (B) Expertise.
- (C) Qualifications to examine or otherwise consider a particular patent or trademark application.
- (D) Usual practice or whether the employee followed a procedure set out in any Office manual of practice (including the MPEP or TMEP) in a particular case.
- (E) Consultation with another Office employee.
- (F) Understanding of:
 - (i) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.
 - (ii) Prior art.
 - (iii) Registered subject matter, subject matter sought to be registered, or a trademark application, registration, opposition, cancellation, interference or concurrent use file.
 - (iv) Any Office manual of practice.
 - (v) Office regulations
 - (vi) Patent, trademark, or other law.
 - (vii) The responsibilities of another Office employee.
- (G) Reliance on particular facts or arguments.
- (2) To inquire into the manner in and extent to which the employee considered or studied material in performing a quasi-judicial function.
- (3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

Any request for testimony addressed or delivered to the Office of the Solicitor shall comply with 37 CFR 15a.4(c). All requests must be in *writing*. The need for a subpoena may be obviated where the request complies with 37 CFR 15a.4(c) only if the party requesting the testimony further meets the following conditions:

- (1) The party requesting the testimony identifies the civil action or other legal proceeding for which the testimony is being taken. The identification shall include:

- (a) the style of the case,
- (b) the civil action number,
- (c) the district in which the civil action is pending,
- (d) the judge assigned to the case, and
- (e) the name, address, and telephone number of counsel for all parties in the civil action.

(2) The party agrees not to ask questions seeking information which is precluded by 37 CFR 15a.6(b).

(3) The party shall comply with applicable provisions of the Federal Rules of Civil Procedure, including Rule 30, and give ten working days notice to the Office of the Solicitor prior to the date a deposition is desired.

Fifteen working days notice is required for any deposition which is desired to be taken between Nov. 15 and Jan. 15.

(4) The party agrees to notice the deposition at a place convenient to the Patent and Trademark Office. The Conference Room in the Office of the Solicitor is deemed to be a place convenient to the Office.

(5) The party agrees to supply a copy of the transcript of the deposition to the Patent and Trademark Office for its records.

Absent a written agreement meeting the conditions specified in paragraphs (1) through (5), a party must comply with the precise terms of 37 CFR 15a.4(c) and the Patent and Trademark Office will not permit a deposition without issuance of a subpoena.

FRED E. McKELVEY,
Solicitor.

Feb. 7, 1989.

[1099 OG 36]

(171)

Department of Commerce

Patent and Trademark Office

United States Adherence to the International Union for the Protection of New Varieties of Plants (UPOV)

On Nov. 12, 1980, the United States deposited its instrument of acceptance of the 1978 text of the UPOV Convention. The United States was the second State to adhere to this text, New Zealand having earlier done so.

The UPOV Convention will take effect with respect to the United States and the other adherents to the 1978 text upon a total of five adherences, three of which must be by present member States (States adhering to the text of the Convention). We expect at least three present member States to adhere shortly and the 1978 text to take effect, therefore, during 1981.

The United States deposited its instrument of acceptance on the basis of the legal protection offered for asexually reproduced plants under the plant patent law (35 U.S.C. 161-164). Accordingly, the Convention will apply only to asexually reproduced plants protected under this law. Steps are now being taken, however, by the Plant Variety Protection Office of the Department of Agriculture to conform the implementation of the Plant Variety Protection Act (7 U.S.C. 2321 et seq.) to the Convention's requirements. When this is done, the United States will notify the UPOV Secretariat that the Convention is also applicable in the United States to sexually reproduced plants protected under that Act.

Questions concerning the UPOV Convention may be directed to the Office of Legislation and International Affairs of the Patent and Trademark Office. This Office may be addressed as follows: Box 4, Commissioner of Patents and Trademarks, Washington, D.C. 20231. The Office's telephone number is (703) 557-3065.

SIDNEY A. DIAMOND,
Commissioner of Patents
and Trademarks.

Dec. 16, 1980.

[1002 O.G. 102]

(172) **Taking Effect in the United States
of the International Convention for
the Protection of New Varieties of Plants**

The International Convention for the Protection of New Varieties of Plants (the UPOV Convention) will take effect in the United States on Nov. 8, 1981. It will apply to all applications for the patenting of plants under the provisions of Title 35, United States Code, which are filed on or after Nov. 8, 1981. The actual filing date will govern in determining whether the Convention will apply to an application, even though the application may be entitled to an earlier effective date under section 119 or 120 of Title 35, United States Code.

In addition to the United States, the UPOV Convention will be in effect as of Nov. 8, 1981, in the following fourteen States: Belgium, Denmark, Federal Republic of Germany, France, Ireland, Israel, Italy, Netherlands, New Zealand, Republic of South Africa, Spain, Sweden, Switzerland, and the United Kingdom.

No changes in the patent law are needed to implement the UPOV Convention in the United States. An applicant for a plant patent will be required, however, to submit for registration a variety name for the plant to be patented. Registration is required by Article 13 of the UPOV Convention.

Registrability shall be determined in accordance with the International Code of Nomenclature for Cultivated Plants (1980). As an interim procedure pending the promulgation of an appropriate rule, inclusion of the variety name in the application will be accepted as a submission of the name for registration. No plant patent as a result of an application filed on or after Nov. 8, 1981, shall be issued without the registration of a variety name. Questions concerning this variety naming requirement or the UPOV Convention may be addressed to:

Mr. Michael K. Kirk, Director
Office of Legislation and
International Affairs Box 4
U.S. Patent and Trademark Office Washington, D.C.
20231

Mr. Kirk's telephone number is (703) 557-3065.

Oct. 15, 1981.

GERALD J. MOSSINGHOFF,
*Commissioner of Patents
and Trademarks.*

[1011 O.G. 27]

(173) **Qualifications for Admission to the
Examination for Registration to Practice Before
the Patent and Trademark Office**

37 CFR 1.341(c) provides in pertinent part, "No person will be admitted to practice and registered unless he shall . . . establish to the satisfaction of the Commissioner that he is of good moral character and good repute and *** possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service ***. In order that the Commissioner may determine whether the person *** has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted ***."

All persons requesting application forms are routinely furnished with a circular entitled "General Requirements For Admission To The Examination For Registration To Practice Before The Patent and Trademark Office". The circular contains a list of the subjects in which a person must have a bachelor's degree or the equivalency thereof in scientific and technical training to meet registration qualifications. It is strongly recommended that persons who do not have a bachelor's degree in one of those subjects comply with the instructions in the paragraph following the list to show their scientific and technical qualifications. If it is intended to rely on courses in computer science, no more than 3 semester hours of courses in computer programming will be accepted as providing part of the required basic training in scientific and technical matters. Computer science courses oriented away from the physical sciences or engineering, e.g., toward accounting or business, will not be accepted as providing

any of the requisite basic training in scientific and technical matters.

Many applications for admission to an examination are filed on or just prior to the announced closing date for doing so, and these applications are frequently disapproved because the person does not furnish a satisfactory showing of his or her qualifications. For instance, persons with a bachelor's degree in a subject other than one of those listed in the circular frequently do not follow instructions in the circular and do not furnish both their transcripts and official course descriptions. Other persons list charges brought against them requiring further showings to overcome doubts raised by the charges about their character and reputation. Still others who failed one section of the examination three times do not furnish a satisfactory showing of sufficient additional legal training to pass the examination.

The Office of Enrollment and Discipline evaluates each application for admission to the examination on an individual basis as soon as practical after receipt in that office. Thereafter, notification is promptly mailed to each person whose application has been disapproved.

The Office of Personnel Management (OPM — formerly Civil Service Commission), which administers the examination, requires that it receive correct data from the Patent and Trademark Office identifying the locale of the examination and the number of persons to be tested well ahead of the examination date. *To afford adequate time to present a satisfactory supplemental showing to gain admission to the examination for which application is being made, it is recommended that all persons file their applications early, preferably at least two months before the closing date.*

All supplemental showings of qualifications and all applications filed after the announced closing date to apply for admission to an examination will be considered only in connection with the person's admission to the next succeeding examination. Admission to an examination given on a particular date is available only to persons who have filed a completed application form, a \$75.00 admission fee, and a satisfactory showing of qualifications on or before the closing date for applying for admission to the examination. Examinations are given in Apr. and Oct. each year, and the respective closing dates for applying for admission to the examinations are the preceding Jan. 31 and July 31.

Sept. 18, 1984.

WILLIAM FELDMAN,
*Director of Enrollment
and Discipline.*

[1047 O.G. 35]

(174) **Department of Commerce
Patent and Trademark Office
37 CFR Parts 1, 2, and 10
Docket 407 88-4181**

Practice before the Patent and Trademark Office

Agency: Patent and Trademark Office, Commerce
Action: Final Rule

Summary: The Patent and Trademark Office (PTO) is amending its rules governing practice before the PTO by attorneys and agents. These rules are needed to clarify and modernize the rules relating to admission to practice and the conduct of disciplinary cases. The rules are also needed to set out in the Code of Federal Regulations a PTO Code of Professional Responsibility. By amending the rules, the PTO believes the standards for admission to practice in patent cases will be more easily understood, that those practicing before the PTO will have ready access to a code of professional responsibility, and that procedure in disciplinary cases will be more easily understood. The PTO expects that the conduct of disciplinary proceedings under these rules will be more effective and less costly.

Dates: The effective date of these rules (except § 1.21(a) (5) and (6)) is Mar. 8, 1985. Section 1.21(a) (5) and (6) is effective Apr. 8, 1985.

For Further Information Contact: Fred E. McKelvey by telephone at (703) 557-4025 (if no answer, message may be left at 703-557-4103) or by mail marked to his attention and addressed

to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Attorneys and agents practice before the Patent and Trademark Office (PTO) in patent cases. 35 U.S.C. 31. Attorneys also practice before the PTO in trademark and other non-patent cases. 5 U.S.C. 500(b). A few agents also practice before the PTO in trademark cases under rules in force prior to Jan. 1, 1957.

A notice of proposed rulemaking for attorney and agent conduct and disciplinary procedure was published on Aug. 11, 1983 in the *Federal Register*, 48 F.R. 36478, and on Sept. 20, 1983 in the *Official Gazette*, 1034 O.G. 39, 1034 TMOG 33. A notice extending the comment period and setting a second hearing was published on Oct. 5, 1983 in the *Federal Register*, 48 F.R. 45424, and on Oct. 18, 1983, in the *Official Gazette*, 1035 O.G. 19, 1035 TMOG 17. The PTO decided to withdraw, and not adopt, the rules proposed in the *Federal Register* notice of Aug. 11, 1983. There were numerous objections to the proposed rules and the public indicated that a longer period for study and review of a code of conduct and disciplinary procedures was necessary.

An advance notice of proposed rulemaking setting out revised rules being considered for standards of conduct and disciplinary proceedings was published on Mar. 16, 1984, in the *Federal Register*, 49 F.R. 10012, and on Apr. 10, 1984, in the *Official Gazette*, 1041 O.G. 15, 1041 TMOG 13. Numerous organizations and individuals filed comments in response to the advance notice.

On Aug. 24, 1984, the PTO published in the *Federal Register* a notice of proposed rulemaking. 49 F.R. 33790. On Aug. 28, 1984, the notice was also published in the *Official Gazette*. 1045 O.G. 29; 1045 TMOG 25. The notice also appeared in the Bureau of National Affairs, *Patents, Trademark & Copyright Journal*, Vol. 28, No. 694, pp. 485-515 (Aug. 30, 1984). Twenty-two written comments were timely received in response to the notice of proposed rulemaking. The comments are analyzed herein. A hearing was held on Oct. 10, 1984. Five individuals appeared at the hearing. Oral comments made at the hearing are also analyzed herein. The twenty-two written comments and a copy of the transcript of the hearing are available for public inspection in Room 12B10, Crystal Gateway II, 1225 Jefferson Davis Hwy., Arlington, Va.

This notice of rulemaking sets out rules in three areas:

- (1) Practice of attorneys and agents before the PTO in patent, trademark, and other non-patent cases §§ 10.2 through 10.19;
- (2) A PTO Code of Professional Responsibility (§§ 10.20 through 10.112); and
- (3) Rules governing (a) investigation of possible violations of the PTO Code of Professional Responsibility and (b) disciplinary proceedings to reprimand, suspend, or exclude (disbar) individuals from practicing before the PTO who, after notice and opportunity for a hearing, are found to have violated a disciplinary rule of the PTO Code of Professional Responsibility (§§ 10.130 through 10.170).

Familiarity with the advance notice and notice of proposed rulemaking is assumed. Changes in the text of the rules published for comment in the notice of proposed rulemaking are discussed. Comments received in response to the notice of proposed rulemaking are discussed. Comments not timely received in response to the advance notice are also discussed.

Tables 1, 2, and 3 are included in this notice to assist readers in correlating present rules with the new rules and to find the principal source for the new rules. An indication in Tables 1, 2, or 3 that a section is "new" means that a corresponding section does not currently appear in Title 37 of the Code of Federal Regulations.

Table 1 shows the principal sources of the new rules which relate to (1) admission to practice of attorneys and agents in patent cases and (2) practice in trademark and other non-patent cases.

Table 2 shows the principal sources of the rules for the new PTO Code of Professional Responsibility.

Table 3 shows the principal sources of the new rules for disciplinary proceedings.

Other sources for, and rationale in support of, the proposed rules are discussed in the Supplementary Information of the advance notice, 49 F.R. 10012-10022, and the Supplementary

Information of the notice of proposed rulemaking, 49 F.R. 33790-33803.

In issuing these rules, the PTO has made every effort to minimize preemption of State control over the practice of law. Thus, in § 10.1, second sentence, the new rules provide:

Nothing in . . . [these rules] shall be construed to preempt the authority of each State to maintain control over the practice of law, except to the extent necessary for the Patent and Trademark Office to accomplish its federal objectives.

This provision of § 10.1 is based on language in *Sperry v. Florida ex rel, Florida Bar*, 373 U.S. 379, 402 (1963), and makes clear the PTO's intent to regulate only conduct related or relevant to practice before the PTO.

In an effort to ascertain whether the proposed rules would have any adverse impact on the States, copies of both the advance notice of Mar. 16, 1984, and the notice of proposed rulemaking of Aug. 24, 1984, were sent to Bar Counsel in each State. The PTO received responses from Bar Counsel in Ala., Conn., Fla., Ga., Md., Miss., Nebr., Tex., and Vt. Comments were also received from the National Organization of Bar Counsel, the American Bar Association, and others.

Alaska Bar Counsel, contrary to other bar counsel filing comments, suggested that creation of a PTO Code of Professional Responsibility would be "inherently confusing" to any attorney practicing in a State and also before the PTO. The new rules, however, do not establish for the first time a PTO Code of Professional Responsibility. The current PTO code appears in 37 CFR §§ 1.344 and 2.12. Sections 1.344 and 2.12 merely incorporate by reference the Code of Professional Responsibility of the American Bar Association (1970). The new PTO code more appropriately sets out the standards of conduct relevant to the practice of law before the PTO. Alaska Bar Counsel also felt that it would be more appropriate if the PTO brought alleged ethics violations by attorneys to local state enforcement authorities. This view was not shared by other bar counsel who filed comments. The statute (35 U.S.C. 32) authorizes the Commissioner to administer discipline. The PTO has taken disciplinary action in instances where a State has declined to do so. Moreover, there are registered patent agents who are not subject to discipline by State enforcement agencies. Finally, Alaska Bar counsel suggested that "adjudicative agencies" are too closely involved in a disciplinary matter to be impartial. Congress has determined otherwise. 35 U.S.C. 32 and 5 U.S.C. 500(d).

Comments were received from the Statewide Grievance Committee of Connecticut in response to the advance notice. Many helpful suggestions were made in the comments. Most of the suggestions were adopted at the time the notice of proposed rulemaking was published.

The Florida Bar, through its Director of Lawyer Regulation, filed comments in response to the notice of proposed rulemaking. The Florida Bar commented on §§ 10.1(c) and 10.23(c) (5). The PTO's response to the comment appears later in this notice under a discussion of § 10.1.

An Assistant General Counsel of the State Bar of Georgia filed a response to the advance notice. The response stated, among other things: "Although due to the press of business at the present time I am unable to provide a substantive response in this correspondence, I will respond within the appropriate time limits after having an opportunity to study the enclosed . . . [advance notice]." No further response was received.

Bar counsel for the Attorney Grievance Commission of Maryland filed a response to the advance notice. In his response Bar Counsel states in part:

It does not appear to me that any of the proposed Rules would present any difficulty in the administration of discipline within Md.

Complaint Counsel for Miss. responded to the advance notice. He stated in part:

I have not reviewed the proposed Code in comparison with the Code of Professional Responsibility in great detail. In general however I can state that adoption of the proposed Code would not have an adverse effect upon the function of this office.

The General Counsel of the State Bar of Texas responded to the advance notice and did "not perceive that any problem would be created by . . . [the proposed rules] in Tex." The General Counsel did express the thought that the PTO's use of the word "practitioner" instead of "lawyer" would not prevent reciprocal discipline in Tex. based on disciplinary action by the PTO. The PTO sees no reason for disagreeing with the General Counsel. The word "practitioner" is used by the PTO to define registered attorneys, registered agents, and other attorneys authorized to practice in trademark and other non-patent cases before the PTO under 5 U.S.C. 500(b).

The Chairman of the Professional Conduct Board of Vermont responded to the advance notice. He states in part:

I find nothing contained in the proposed rules which would present any difficulty in the administration of disciplinary matters within the State of Vermont. Further, I see no problems created vis-a-vis the Code of Professional Responsibility in this jurisdiction.

The President of the National Organization of Bar Counsel responded to the notice of proposed rulemaking. He expressed a concern as to whether the PTO intended to "provide for notice and information of . . . [each disciplinary violation by an attorney] to each jurisdiction where the attorney is licensed." Two provisions of the rules are designed to insure that States are notified of PTO disciplinary action. Section 10.158(b) (1) requires a disciplined attorney to notify all bars of which he or she is a member and to file a copy of the notice with the Director of Enrollment and Discipline of the PTO. Section 10.159(a) requires the Director to notify known state bars and appropriate bar associations of PTO disciplinary action. In addition, as a matter of policy, the PTO intends to notify the National Discipline Data Bank of the American Bar Association.

Comments were filed in response to the advance notice and the notice of proposed rulemaking by the Standing Committee on Professional Discipline of the American Bar Association. The comments filed in response to the advance notice were analyzed in the notice of proposed rulemaking and are not re-analyzed in this notice. In its comments responding to the notice of proposed rulemaking the Standing Committee made several helpful suggestions, some of which are being adopted. A full discussion of the PTO rationale for adopting or not adopting a particular suggestion appears under analysis of comments later in this notice. The Standing Committee urged adoption of the 1983 ABA Model Rules. The PTO is not now adopting the Model Rules *inter alia* because most States have not adopted those rules. If a significant number of states adopt the Model Rules, the PTO will consider further amendments to its Code of Professional Responsibility. The Standing Committee suggested changes to § 10.23(c) (12) which are being adopted in part. The Standing Committee suggested that notice be given to a practitioner prior to any meeting of the Committee on Discipline. This suggestion is not being adopted. In most instances, a practitioner will be able to respond to a notice under 5 U.S.C. 558(c). The Committee will have the practitioner's response at the time of its deliberation. The Standing Committee urged that hearings in disciplinary matters should be open to the public. Others opposed this position. The PTO is not adopting this suggestion in view of 35 U.S.C. 122. Further rationale for not adopting the Standing Committee's suggestion appears later in the notice. The Standing Committee urged a change in § 10.149 to make the burden for proving a disciplinary violation one of clear and convincing evidence. This suggestion is being adopted. The Standing Committee urged that more discovery be permitted than was authorized by § 10.152 as proposed. This suggestion is being adopted as explained further in this notice. The Standing Committee also thought § 10.159 should provide for notice to the ABA National Discipline Data Bank when the PTO administers discipline. While § 10.159 will not specifically mention the Data Bank, a change has been made to permit the Director to notify appropriate bar associations. The Data Bank is an appropriate bar association.

Changes in Text: Several changes have been made in the text of the new rules from the text of the proposed rules which were published for comment in the notice of proposed rulemaking. Those changes are discussed below.

In § 1.8, the new subparagraph will be (xiii). Subparagraph (xii) was added when the rules relating to patent interference proceedings were amended. See 49 F.R. 48451 (Dec. 12, 1984).

In the first sentence of § 1.31, the term "agent" has been changed to "registered agent" to make clear that only registered agents are intended.

Section 1.33(c) is being amended to delete a reference to former §§ 1.341 and 1.347 and to now refer to §§ 10.5 and 10.11.

Section 1.56(f) and (h) is being amended to delete a reference to former § 1.346 and to now referred to § 10.18.

In the second sentence of § 10.1, "subpart shall" has been changed to "part shall" and "maintain control over" has been changed to "regulate." In the same sentence, "within its borders" has been deleted.

In § 10.2(b)(sf,4(1), "maintain the register" has been changed to "maintain the register provided for in § 10.5".

In the next-to-the-last sentence of § 10.7(b), "examining corps" has been changed to "patent examining corps".

The language "an alien" in § 10.9(b) has been changed to read "a resident alien" to make clear that aliens registered under paragraphs (a) or (b) of § 10.6 must be resident aliens.

In the first sentence of § 10.14(c), "foreigner" has been changed to "foreign attorney or agent", "registered and in good standing" has been changed to "registered or in good standing", "applicants" has been changed to "parties" and "trademark applications" has been changed to "trademark cases".

In § 10.18(a) (1), "the paper has been read" has been changed to "the paper has been read by the practitioner".

Several changes have been made in § 10.23.

In § 10.23(c) (4) (iii), "improperly" has been added before "bestowing."

In § 10.23(c) (5), "on ethical grounds" has been added after the first occurrence of "attorney or agent" and "suspension or disbarment as an attorney or agent" (after "10.6(c)") has been deleted.

In § 10.23(c) (7), "patent" has been added before "application of another" and the following has been added as a second sentence: "See §§ 1.604(b) and 1.607(c) of this Subchapter."

In § 10.23(c) (8), "Failing to forward" has been changed to "Failing to inform a client or former client"; "inability to forward, to" has been changed to "inability to notify"; "client correspondence" has been changed to "client of correspondence"; "is correspondence which" has been changed to "is correspondence of which"; and "under the circumstances should be forwarded to the client or former client" has been changed to "under the circumstances the client or former client should be notified."

Section 10.23(c) (12) has been changed to read: "Knowingly filing, or causing to be filed, a frivolous complaint alleging a violation by a practitioner of the Patent and Trademark Office Code of Professional Responsibility."

In § 10.23(c) (15), "including" has been changed to "making a" and "matter" has been changed to "statement".

In § 10.36(b) (3), the language "in the locality" has been deleted.

The following language has been deleted from § 10.40(c): "and may not withdraw in other matters."

In § 10.62(b), the language "contemplated or pending litigation or" has been deleted.

In § 10.63(a), the language "contemplated or pending litigation or" has been deleted. Both occurrences of "trial or" have been deleted from § 10.63(a). The language "contemplated or pending litigation or" has been deleted from § 10.63(b).

The following sentence has been added to § 10.64(b):

"A practitioner may, however, advance any fee required to prevent or remedy an abandonment of a client's application by reason of an act or omission attributable to the practitioner and not to the client, whether or not the client is ultimately liable for such fee." 1 In § 10.84(a) (3), "§ 10.85" has been changed to "this part".

The following sentence has been added to § 10.87(a):

"It is not improper, however, for a practitioner to encourage a client to meet with an opposing party for settlement discussions."

Subparagraph (5) of § 10.89(c) as it appeared in the notice of proposed rulemaking has been deleted. Subparagraph (6) of § 10.89(c) as it appeared in the notice of proposed rulemaking has been changed to read: "(5) Engage in undignified or discourteous conduct before the Office (see § 1.3 of this Subchapter)."

Subparagraph (7) of § 10.89(c) has been redesignated as subparagraph (6).

In § 10.112(a), the language:

maintained: (1) in the case of a practitioner whose office is located in the United States, the State in which the practitioner's office is situated or (2) in the case of a practitioner having an office in a foreign country or registered under § 10.6(c) in the United States or the foreign country has been changed to read:

maintained in the United States or, in the case of a practitioner having an office in a foreign country or registered under § 10.6(c), in the United States or the foreign country.

In § 10.131(a), the second sentence has been deleted as being unnecessary in view of § 10.132(b). The second sentence of § 10.131(a) in the notice of proposed rulemaking read: "The investigation shall be such as to determine whether there is probable cause to believe that a violation of a Disciplinary Rule by a practitioner has occurred."

In the first sentence of § 10.132(a), the language "that there is probable cause to believe" has been deleted. The Committee on Discipline, not the Director, shall determine whether there is probable cause to believe that a practitioner has violated a Disciplinary Rule. See §§ 10.4(b) and 10.132(b).

Several changes have been made in § 10.133. In the first sentence of § 10.133(b), the language "§§ 10.132(b) and 10.134" has been replaced with "§ 10.134". The reference to § 10.132(b) is not necessary. The language "his or her resignation by filing" in § 10.133(b) has been deleted as unnecessary. The second sentence of § 10.133(b) has been modified to become new paragraphs (c) and (d). Paragraph (c) indicates the content of an affidavit of resignation filed prior to the date set by the administrative law judge (ALJ) for hearing. Paragraph (d) indicates the content of an affidavit of resignation filed on or after the date set by the ALJ for hearing. Paragraph (c) has been redesignated as new paragraph (e). In addition, the language "paragraph (b)" therein has been changed to "paragraphs (b) or (c)". Paragraphs (d) and (e) have been redesignated as new paragraphs (f) and (g), respectively.

In § 10.135(a) (2) (i), "Committee on Enrollment" has been changed to "Director".

In § 10.149, "a preponderance of" has been changed in both instances to "clear and convincing".

Several changes have been made to § 10.152 to expand discovery. Paragraphs (a) and (b) of § 10.152 as set out in the notice of proposed rulemaking have been redesignated as paragraphs (e) and (f), respectively, and new paragraphs (a) through (d) have been added. New paragraph (a) sets forth discovery which is authorized. New paragraph (b) sets forth matter which *cannot* be discovered. Paragraph (c) sets forth factors which an ALJ can consider in determining whether to authorize discovery. Paragraph (d) requires that a motion be filed which addresses specifically and separately each particular request for discovery. In paragraph (e) (formerly paragraph (a)), a new subparagraph (3) has been added to specify that the ALJ may require the parties to set out in a pre-hearing statement information related to expert witnesses. Old subparagraphs (3) and (4) have been redesignated as new subparagraphs (4) and (5), respectively.

In § 10.154(b), a new subparagraph (5) has been added which states: "(5) any extenuating circumstances."

In § 10.155(a), both occurrences of "on the respondent" have been deleted.

Several changes have been made to § 10.158. In § 10.158(b) (1), after "all clients of the practitioner" the following has been added "for whom he or she is handling matters before the Office". In § 10.158(b) (2), "client's active case files" has been changed to "client's active Office case files". In § 10.158(c), changes have been made to make paragraph (c) applicable to corporate patent departments and to prohibit a suspended or excluded practitioner from meeting in person or in the presence of another practitioner with an official of the PTO in connection with the prosecution of a patent, trademark, or other case.

The following has been added to the end of § 10.159(a): "and any appropriate bar associations,"

Several changes have been made in § 10.160(c). "A practitioner has been suspended or excluded" has been changed to "An individual who has resigned under § 10.133 or who has been suspended or excluded". The language "if the Director is satis-

fied" has been changed to "when the individual makes a clear and convincing showing". The language "suspended or excluded practitioner" has been changed to "individual".

Response to and Analysis of Comments: Twenty-two (22) written comments were timely received in response to the notice of proposed rulemaking. The comments have been analyzed. Some suggestions made in comments have been adopted and others have been rejected. A detailed analysis of the timely received comments follows. Several comments were not timely received by July 9, 1984, in response to the advance notice of proposed rulemaking of Mar. 16, 1984. These comments have now been considered and are analyzed herein.

Several comments were received which suggested that the rules purport to regulate attorney conduct beyond that necessary or proper for administration of federal programs by the PTO. It is not, and has never been, the intention of the PTO to regulate conduct except to the extent necessary for the accomplishment of federal objectives. Thus, only that conduct which is relevant to the practice of patent, trademark, or other law *before* the PTO is what the PTO seeks to regulate. The preamble of § 10.1 indicates that Subpart 10 governs solely the practice of patent, trademark, and other law before the PTO. As noted in the preamble to § 10.1, "[n]othing in this subpart shall be construed to preempt the authority of each State to regulate the practice of law, except to the extent necessary for the Patent and Trademark Office to accomplish its federal objectives." See *Sperry v. Florida ex rel. Florida Bar*, 373 U.S. 379, 402 (1963). See also *Michigan Canners and Freezers Ass'n v. Agricultural Marketing and Bargaining Board*, 104 S. Ct. 2518, 2523 (1984) (State Law is preempted when it stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress) and *Fidelity Federal Savings and Loan Ass'n v. de la Cuesta*, 102 S. Ct. 3014, 3022 (1982) (federal regulations have no less preemptive effect than federal statutes).

Several comments were received concerning § 10.1. The Florida Bar noted that in the notice of proposed rulemaking the PTO indicated "that failure to pay State bar dues is not a basis for suspension or exclusion before the PTO because failure to pay the dues has no relationship to the federal objectives which the PTO seeks to accomplish." 49 F.R. 33795, column 1, third full paragraph. The Florida Bar suggested that "the loss of good standing [should] be of concern to the PTO." The PTO agrees in part. Suspension from a State bar for failure to pay dues will not be viewed by the PTO as "misconduct." See § 10.23(c) (5), which has been changed to define misconduct as suspension or disbarment on ethical grounds. If an attorney is suspended by his or her State bar for failure to pay bar dues, and for that reason is no longer in good standing before the State bar, that attorney is no longer an attorney within the meaning of § 10.1(c). An attorney suspended from his or her State bar for failure to pay bar dues would no longer be eligible to represent individuals before the PTO in trademark and other non-patent cases.

One commentator suggested that the second sentence of § 10.1 be changed to read: "Nothing in this subpart shall be construed to preempt the authority of each State to regulate the practice of law, except to the extent necessary for the Patent and Trademark Office to accomplish its federal objectives." The suggestion is being adopted. The commentator noted that as originally proposed in the notice of proposed rulemaking, the phrase "to maintain control over the practice of law within its borders" is unduly restrictive. The commentator correctly pointed out that "[c]ertainly, New York would have the authority to regulate the practice of law by a New York attorney residing in Fla."

Another commentator noted the language "federal objectives" in § 10.1 and felt it would be appropriate for the PTO "to set forth what the federal objectives really are." The PTO does not believe it is appropriate to set out in the regulations specific federal objectives. The PTO engages in the examination of applications for patents, reexamination of issued patents, examination of applications for registrations of trademarks, and numerous *inter partes* patent and trademark proceedings. The federal objectives of the PTO center around these activities.

With respect to § 10.2(c), one commentator argued that "it is unfair to require the payment of a fee to review a final decision of the Director." The PTO disagrees. The review provided by § 10.2(c) is a service preformed by the PTO for which a fee may be charged. There is no compelling reason for not charging a fee.

Several comments were received discussing § 10.4. One commentator suggested "that a provision for no discovery or testimony from a member of the Committee on Discipline is unfair and inappropriate." The PTO does not believe that a "mini-trial" should be conducted in a subsequent disciplinary proceeding of how or why the Committee on Discipline reached its decision. The commentator also argued that 10.4(c) "would be in direct conflict with the Federal Rules of Civil Procedure" in any review in the U.S. District Court for the District of Columbia. Again, the PTO disagrees. The Federal Rules of Civil Procedure do not apply to disciplinary cases in the PTO. Moreover, those rules do not apply in cases seeking judicial review of a decision of the Commissioner in a disciplinary matter. Applicable law (35 U.S.C. 32 and Local Rule 1-26 of the district court) provides for review on the record made in the PTO. See also *Camp v. Pitts*, 411 U.S. 138 (1973). Hence, there is no discovery in a proceeding under 35 U.S.C. 32.

Comments were received which suggest that the associate and assistant solicitors in the Office of the Solicitor cannot be isolated from the Solicitor and the Deputy Solicitor. The associate and assistant solicitors are to be isolated so that (1) the associate and assistant solicitors may act as attorney for the Director in prosecuting a disciplinary proceeding and (2) the Solicitor and Deputy Solicitor may act as legal advisor to the Commissioner in deciding a disciplinary matter. In disciplinary matters, the associate and assistant solicitors will report directly to the Director. Associate and assistant solicitors will not have occasion to discuss disciplinary matters with the Solicitor or Deputy Solicitor.

The following discussion in the *Attorney General's Manual on the Administrative Procedure Act*, pp. 5758 (1947), commenting on original § 5(c) (now 5 U.S.C. 554(d)) is believed particularly relevant to the issues raised in the comments:

Assuming that an agency will in many cases wish to consult with certain of its staff members, it may proceed in one of two ways. It may in a particular case consult with staff members who in fact have not performed investigative or prosecuting functions in that or a factually related case. In the alternative, the agency may find it feasible so to organize its staff assignments that the staff members whom it most frequently desires to consult will be free of all investigative and prosecuting functions.

[I]f the agency so organizes its staff that the general counsel is not responsible for the investigative and prosecuting functions, he would be regularly available to the agency for consultation on the decision of cases.⁸

Several commentators suggested that members of the public or the PTO bar should be members of the Committee on Discipline. This suggestion is not being adopted. As noted in the notice of proposed rulemaking (49 F.R. 33793, column 2, last paragraph), there are two reasons for not adopting the suggestion. Use of individuals outside the PTO is made difficult by 35 U.S.C. 122. Administrative delays would take place because it would be more difficult to schedule meetings.

⁸The general counsel's participation in rule making and in court litigation would be entirely compatible with his role in advising the agency in the decision of adjudicatory cases subject to section 5(c).

One commentator suggested that the language "at least" in the phrase "at least three employees of the Office" should be deleted from the second sentence of § 10.4(a). This suggestion is not being adopted. The "at least" language will permit the Commissioner to appoint alternate members to substitute for a member who may be disqualified or who may be unavailable for an extended period.

Section 10.10 provides that only practitioners who are registered under § 10.6 or individuals given limited recognition under § 10.9 will be permitted to prosecute patent applications of others before the PTO. One comment was received which noted that the rules do not address the "status" of (a) "an individual in a training program directed to the preparation and prosecution of applications for patent" or (b) "a long-time employee working within a patent organization in the area of preparation and prosecution of applications for patent, but has never become registered to practice as either a Patent Agent or Patent Attorney." The commentator suggested that the rules should state what such

individuals or employees may do. The suggestion is not being adopted. Only registered practitioners (attorneys and agents) may practice patent law before the PTO. The commentator also suggested that the rules should provide that long-time corporate or government employees who have never been registered should be given limited recognition by the PTO. This suggestion is not being adopted. Limited recognition will be given only on a case-by-case basis. See § 10.9.

One comment suggested that "applicants" and "trademark applications" in the first sentence of § 10.14(c) rendered it unclear whether an individual authorized to practice before the PTO in trademark cases could prosecute post-registration cases, such as a cancellation proceeding. The rule has been clarified by changing "applicants" to "parties" and "trademark applications" to "trademark cases". An individual authorized to represent others under § 10.14 is authorized to appear in any trademark case.

Several comments were received discussing § 10.18. One comment made at the hearing suggested that the rule should specify who should read the paper being signed. The commentator stated: "I think it would be salutary if what you really mean is that the practitioner who signs it has read it." The suggestion is being adopted and the language of § 10.18(a) (1) has been changed from "the paper has been read" to "the paper has been read by the practitioner".

Two individuals commented that requiring the signature of a practitioner would eliminate the "custom" of having an associate sign the name of a principal attorney on a paper which the principal authorizes the associate to file. Section 10.18 requires that the practitioner signing the paper sign his or her own name. The rule would permit associate attorney John Smith to sign on behalf of principal attorney David Jones by signing the paper as follows: "David Jones by John Smith." The rule would not permit Smith to merely sign Jones' name or to sign "David Jones by JS." The rule does not authorize a non-practitioner (e.g., a para-legal or secretary) to sign a paper on behalf of a practitioner.

One comment asked the following:

Assume an inventor is under Final Rejection and the period for proper response is near at hand. The attorney is now instructed to "keep the case alive" until a CIP [continuation-in-part] is prepared and filed. For reasons outside the control of the attorney, the CIP cannot be filed in time. Assume now the attorney files a Notice of Appeal, *never intending* to prosecute the appeal, intending only to buy time until the CIP can be filed. Would the filing of the Notice of Appeal violate Rule 10.18 and subject the attorney to PTO disciplinary action?

A notice of appeal is a proper response to a final rejection. Accordingly, it would not appear under the circumstances outlined that the notice of appeal was "interposed for delay" within the meaning of § 10.18(a) (4).

Three comments were received discussing § 10.22. One comment suggested that modifiers, such as "knowingly" and "willfully" be inserted in paragraphs (a) and (b) of § 10.22. The suggestion is not being adopted. A "materially false statement," a failure "to disclose a material fact," or furthering the application of another "known . . . to be unqualified" constitute acts which cannot be characterized as innocent. Accordingly, there is no need to insert the "modifiers" in the text of the rule. Another commentator suggested that the provisions of § 10.22 are not relevant to the federal objectives of the PTO. The PTO disagrees. Practitioners who (1) fail to tell the truth, (2) fail to reveal material information or (3) knowingly further the application of an unqualified individual to a bar, demonstrate that they are "disreputable" within the meaning of 35 U.S.C. 32. A third commentator suggested that § 10.22(b) is too broad because a practitioner could recommend an individual for membership in a bar and the individual might fail to pass the bar examination. Unless a practitioner has good reason to know that the individual will fail to pass a bar examination, it is not apparent how the practitioner's recommendation could amount to a violation of the PTO Code of Professional Responsibility.

Numerous comments were received discussing § 10.23. One comment suggested that § 10.23(c) (8) be changed to require notification of a client rather than requiring correspondence to be forwarded. This suggestion has been adopted by making appropriate changes to § 10.23(c) (8).

A suggestion was made to delete the reference to \$5000 in § 10.23(c) (17). This suggestion is not being adopted. See the discussion in the advance notice, 49 F.R. 10016, column 1.

A suggestion was made that § 10.23(c) (5) has "a built-in inequity as regards different patent attorneys in different states." According to the commentator, a practitioner suspended for an act by Ohio might not be suspended for the same act by New York. The commentator reasons it would be unfair for the Office to suspend the Ohio practitioner, but not the New York practitioner. The commentator's concern is not warranted in view of the second sentence of § 10.1.

Another commentator noted that § 10.23(a) (3) "points up the difficulty of superimposing . . . [a] set of rules on of the various local jurisdictions." Here again, the commentator's concern is not believed warranted in view of the second sentence of § 10.1. Another commentator noted that "moral turpitude" is hard to define. It was suggested that possession of marijuana is regarded as a crime involving moral turpitude in some states where a 99-year sentence may be received. It was suggested that in other states possession of marijuana might result in "a slap on the wrist." If a practitioner is incarcerated for a crime in a state, it follows that the practitioner is not capable of representing individuals before the Office. This is true even if the same practitioner would not have been incarcerated in another state for the same act.

The Florida Bar raised a question concerning § 10.23(c) (5) which is answered under the discussion above of § 10.1. Section 10.23(c) (5) has been changed to make suspension or disbarment "on ethical grounds" a basis for suspension or disbarment by the Office. "Ethical grounds" would include incompetence, but would not include failure to pay State bar dues.

One comment suggested that "disreputable" and "gross misconduct" in § 10.23(a) be defined. The terms "disreputable" and "gross misconduct" appear in 35 U.S.C. 32 and need no further definition in the rules. For a discussion of "disreputable," see *Poole v. United States*, 54 A.F.T.R. 2d (P-H) 84-5536 (D.D.C. June 29, 1984).

Several comments suggested that the Model Rules of Professional Conduct of the American Bar Association (1983) be adopted in place of § 10.23. Adoption of the Model Rules was given consideration prior to publication of the advance notice and the notice of proposed rulemaking. The matter has been considered again. However, it has not been demonstrated to the Office that a large number of states have adopted the Model Rules. As noted in the notice of proposed rulemaking, at least Va. has rejected the Model Rules. Accordingly, the PTO will not, at this time, adopt the Model Rules. If a large number of states adopt the Model Rules in the future, the PTO would be willing to reconsider its position.

One comment suggested that "before the Office" be inserted after the word "conduct" in § 10.23(b) (4), (5), and (6). This suggestion is not being adopted in view of the second sentence of § 10.1.

A suggestion was received that "improperly" be inserted at the beginning of § 10.23(c) (4) (iii). This suggestion has been adopted.

A suggestion was received that the word "patent" be inserted before "application" in § 10.23(c) (7). This suggestion has been adopted.

A suggestion was received that § 10.23(c) (15) be changed so that a trademark practitioner could present potentially scandalous subject matter in order to receive a determination on the merits of registrability. See e.g., *In re McGinley*, 660 F.2d 481, 211 USPQ 668 (CCPA 1981). Section 10.23(c) (15) has been changed to refer only "making a scandalous or indecent statement in a paper filed in the Office."

Several individuals suggested that it may be difficult to determine the identity of tunder § 10.23(c)(8), particularly in corporate patent departments. The PTO will presume that practitioners know the identities of their clients and that information conveyed to the client is being conveyed in a manner acceptable to the client.

Section 10.23(c)(12) has been changed in response to comments which suggested that it would be difficult for practitioners to comply with § 10.23(c)(12) on the one hand and §§ 10.24 and 10.131 on the other hand. The purpose of § 10.23(c)(12) is to eliminate a frivolous complaint against practitioners. Accordingly, § 10.23(c)(12) has been changed to define as misconduct

"knowingly filing, or causing to be filed, a frivolous complaint alleging a violation by a practitioner of the Patent and Trademark Office Code of Professional Responsibility."

Several individuals criticized § 10.24. The provisions of § 10.24 are derived from DR 1-103 of the Code of Professional Responsibility of the American Bar Association (1970)—the rule currently applicable to practitioners. See 37 CFR §§ 1.344 and 2.13. The PTO is not aware that the current rule causes any problems. Accordingly, the numerous suggestions to delete or amend § 10.24 are not being adopted.

One comment was received which suggested that charging another person with trademark infringement and requesting that the person withdraw a pending application "might be . . . interpreted as a violation" of § 10.31(a). The PTO disagrees. A reasonable interpretation of the rule does not justify the unreasonable construction by the commentator.

At the hearing, an individual discussed § 10.32. The individual suggested that three "practices" should be sanctioned under any PTO Code of Professional Responsibility and it was suggested that all three practices might be prohibited by § 10.32. *First*, the individual suggested that "the giving of moderately priced presents . . . to established clients on appropriate occasions—Christmas, weddings of their daughters" should not constitute a violation of § 10.32. The PTO agrees. The giving of a gift to an "established client" on the occasions suggested is not a gift "to a person for recommending the practitioner's services." *Second*, the individual suggested that a practitioner should not be prohibited from "paying for ordinary client entertainment." The PTO agrees. Again the "client" is not "a person recommending the practitioner's services" in return for being entertained. *Third*, the individual argued that the rules should not preclude an "exchange of cases with foreign practitioners." An "exchange" was said to occur "[w] here a foreign patent practitioner in his country sends cases to an American patent or trademark practitioner to prosecute before the PTO, and you send the foreign firm cases to prosecute before the foreign patent office, on the more or less explicit basis that it's something in the nature of a trade." According to the individual, the "exchange" ordinarily takes place without knowledge of the practitioner's client. The individual expressed the opinion that "exchanges" without knowledge of the client presently occur routinely. The PTO believes that the suggested "exchange" may ethically take place *only* when the practitioner's clients are fully advised of the exchange. Three other witnesses at the hearing expressed the view—correctly the PTO believes—that client knowledge is essential to an ethical exchange of the type contemplated. No change in § 10.32 is being made.

A suggestion was received that "in matters before the Office" be inserted after "professional employment" in § 10.33. The suggestion is not being adopted in view of the second sentence of § 10.1. Another comment suggested that Rule 7.3 of the Model Rules of Professional Conduct (1983) be adopted in place of § 10.33. The suggestion is not being adopted. Section 10.33 is based partly on Rule 7.3, but contains the additional language under circumstances evidencing undue influence, intimidation, or overreaching." Section 10.33 is designed to prohibit so-called ambulance chasing." In *Ohralik v. Ohio State Bar Ass'n*, 436 U.S. 447 (1978), the Supreme Court held that a state could lawfully regulate ambulance chasing. In its opinion, the Supreme Court said:

We need not discuss or evaluate each of these interests in detail as appellant has conceded that the State has a legitimate and indeed "compelling" interest in preventing those aspects of solicitation that involve fraud, undue influence, intimidation, overreaching, and other forms of 'vexatious conduct.' We agree that protection of the public from these aspects of solicitation is a legitimate and important state interest.

436 U.S. at 462. The additional language appearing in § 10.33 is designed to limit the application of § 10.33 to those situations in which the PTO has a legitimate interest. See also 35 U.S.C. 32 and § 10.31(a).

A suggestion was received that § 10.35(b) should be deleted. According to the suggestion, "[r]egulation of the practitioner's business arrangements should be left to state regulation." While the PTO is in general agreement with the rationale suggested, there exist partnerships of agents which are not subject to regulation by any state. Moreover, the commentator has not

suggested or shown that § 10.35(b) is inconsistent with the policy of any state. Practitioners should not be free to hold themselves out as being associated with a partnership or other organizations when an association does not in fact exist.

One comment suggested that "in the locality" be deleted from § 10.36(b)(3). This suggestion is being adopted, because "in the locality" has no particular significance in the practice of patent and trademark law. Clients of patent and trademark practitioners are not necessarily located where counsel are located. Moreover, the practice is national in scope.

An individual at the hearing suggested that the PTO should delete subparagraphs (1) and (2) from § 10.37(a). This suggestion is not being adopted. The individual suggested that a client need not know that "employment" has been referred to another practitioner or to a foreign practitioner. The PTO disagrees and so did three other individuals who expressed a view at the hearing. Moreover, the PTO believes that when "farming out" occurs with the consent of a client, that the fee division should be proportional to the services rendered. Under § 10.37, "farming out" of work without knowledge and consent of a client will constitute a disciplinary rule violation.

One commentator suggested that § 10.39 "may result in numerous claims to the effect that a practitioner brought a proceeding 'merely for the purpose of harassing or maliciously injuring another person.'" Section 10.39 continues existing policy (37 CFR § 1.344 and DR 2-109 of the ABA Code (1970)). Under existing policy, the PTO has not experienced "numerous claims." Accordingly, there is no reason to expect such claims under § 10.39.

A suggestion was received that the first sentence of § 10.40(a) be changed to read: "A practitioner may withdraw from employment in a proceeding before the Office without permission from the Commissioner in those instances in which a substitute has been selected and is willing to serve." This suggestion is not being adopted. If "a substitute has been selected and is willing to serve," presumably with the consent of the client, a new power of attorney may be filed in the PTO. Another commentator suggested that § 10.40 should not apply to corporate attorneys. This suggestion likewise is not being adopted. If a corporate attorney changes jobs, the attorney should withdraw from representing the "old" corporation or the old corporation should revoke any power of attorney.

One comment suggested that the PTO should be under a burden of deciding requests for permission to withdraw within thirty (30) days. This suggestion is not being adopted, but it is and will continue to be PTO policy to promptly decide requests for permission to withdraw.

One comment suggested that ", and may not withdraw in other matters," be deleted from § 10.40(c). This suggestion has been adopted.

One comment asked whether a power of attorney given during prosecution of a patent application continues to be viable after the patent is issued. The answer is "yes." Communications received during reexamination proceedings are sent to the correspondence address established during prosecution of the application which matures into the patent being reexamined. See 37 CFR § 1.525. Notices concerning maintenance fees likewise are mailed to the correspondence address. See 37 CFR § 1.363, 49 F.R. 34725 (Aug. 31, 1984). The commentator also raised a question of who is the client when a case is filed on behalf of an individual, but the individual's assignee pays the practitioner's bills. Practitioners are expected to know the identities of their clients. If a practitioner is hired by a corporation and wishes to make that fact plain on the record of a patent application, the practitioner may file an assignment and a power of attorney signed by the assignee. If a dispute should then occur between the individual and the assignee, the record would be clear that the assignee is the client.

A comment suggested that § 10.40(a) "would appear to be unreasonable" in view of the language "giving due notice to another practitioner." Such language does not appear in § 10.40(a).

An oral comment was received by phone which questioned whether the use of para-legals or apprentices by a practitioner constitutes the unauthorized practice of law. If a para-legal or apprentice works under the direction of a practitioner and the practitioner does not allow the para-legal or apprentice to hold themselves out as a practitioner, there is no unauthorized practice of law problem within the meaning of § 10.47.

One comment discussing § 10.49 made the following statement:

"... if the intent of this section is to prohibit a practitioner from forming a partnership with a lawyer who, while in good standing with his State bar, does not qualify to practice before the Office (either because he has not taken the patent examination or is not qualified to handle trademark matters), then it should be stricken."

As explained in the notice of proposed rulemaking (49 F.R. 33797, column 3), the PTO does not intend to prohibit formation of law firms by members of the Bar of any state.

One comment suggested that "in matters before the Office" should be inserted after "employment" in § 10.62(a). This suggestion is not being adopted in view of the second sentence of § 10.1.

Another comment suggested that §§ 10.62 and 10.63 be replaced with Rule 3.7(b) of the Model Rules of Professional Conduct of the ABA (1983). For reasons already discussed, the PTO is not adopting the Model Rules. The comment went on to suggest that practitioners would not be free to testify concerning attorney diligence in patent interference cases. The PTO has made it plain twice that it disagrees. See the advance notice (49 F.R. 10016, column 3 (Mar. 16, 1984)) and the notice of proposed rulemaking (49 F.R. 33797, column 3, last paragraph (Aug. 24, 1984)).

A comment suggested that language in §§ 10.62 and 10.63 is not clear. Specifically, the commentator referred to "solely to an uncontested matter" or "solely to a matter of formality." This language occurs in the current rules and has not caused any known difficulty.

Two comments were received which suggested that § 10.64(b) should permit practitioners to pay fees which rightfully should be paid by a practitioner. This suggestion is being adopted and the following sentence has been added to § 10.64(b): "A practitioner may, however, advance any fee required to prevent or remedy an abandonment of a client's application by reason of an act or omission attributable to the practitioner and not to the client, whether or not the client is ultimately liable for such fee." One of the commentators supplied the following rationale with which the PTO agrees:

It sometimes happens that payment of a fee is necessitated by some act or omission for which the practitioner and not the client is responsible. One example is a fee for an extension of time to respond to an Office Action (see 37 C.F.R. § 1.17 and § 1.136), where the delay has resulted from the practitioner's workload for other clients, or from the practitioner's absence from his or her office for purposes unrelated to the client's business. Another example is a petition fee for revival of an application unintentionally abandoned through some inadvertent oversight on the practitioner's part. In these circumstances, it would seem unjust to require the client to bear the cost of the fee.

One comment suggested that § 10.65 should be amended to indicate that it relates only to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

Another comment suggested that § 10.65(a) "may limit a practitioner serving on the board of directors of a client." The commentator went on to say that practitioners serving on boards of directors is a common practice. Inasmuch as the client consents to practitioner serving on the board, it is believed that § 10.65 does not limit a practitioner as suggested by the commentator.

One comment was received which suggested that § 10.66(d) be changed to exclude corporate patent departments. According to the comment, "why should an entire corporate patent department have to withdraw if one of its members has to withdraw for disciplinary reasons?" In situations where it would not be appropriate for an entire firm or department to withdraw, § 10.66(d) permits the Commissioner or the Director to so order. See e.g., *Sunkist Growers, Inc. v. The Benjamin Ansehl Co.*, 221 USPQ 1077 (Comm'r. Pat. 1984). Another comment suggested that § 10.66 should be amended to indicate that it relates only to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

One comment was received which suggested that § 10.67 be amended to indicate that it relates only to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

A comment was received which suggested that § 10.68(c) might be construed to preclude a practitioner from joining a law firm where attorneys who are not registered to practice before the PTO "are in control," i.e., are the "senior" partners. The definition of practitioner (see § 10.1(r)) precludes such a construction, because any attorney in good standing in any State is a practitioner. Another comment suggested that § 10.68 be amended to indicate that it relates only to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

One comment was made at the hearing which suggested that modifiers, such as "knowingly, willfully, intentionally," be inserted in § 10.77. This suggestion is not being adopted. The PTO believes § 10.77 states clearly the prohibited conduct.

A comment was received which suggested that §§ 10.77, 10.78, and 10.84 be amended to indicate that they refer only to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

One comment suggested that the term "unwarranted" in § 10.85(a) (2) is "too vague as to its limits." The PTO disagrees. Contrary to the suggestion by the commentator, it is believed that practitioners can readily determine whether they are advocating a position that is unwarranted under existing law.

A comment was received which suggested that § 10.85(b) can place a difficult burden on patent counsel. In support of his position, the commentator gave two examples and commented on both examples as follows:

Example 1:

A client engages a patent attorney in the preparation of a patent application, and the patent attorney goes through the usual routine of advising the client of statutory bars, duty to disclose, etc. The attorney prepares and files the application, and during the course of the prosecution, the client informs the attorney of some activities that occurred a couple of years before filing the application, which activities might constitute an offer for sale. The attorney advises that this must be disclosed to the Patent Examiner, but the applicant refuses to follow this course of action and discharges the patent attorney. The client then engages another attorney to complete the prosecution, without telling the new attorney of the potentially damaging prior art.

Comment:

In accordance with my interpretation of § 10.85(b), the first attorney would be required to disclose this situation to the Office, unless the term "prepetrated a fraud" as it appears in that rule does not include the deliberate failure to disclose relevant prior art. My concern is that this could make for some very poor relationships with the client who might not understand the attorney's duty of disclosure before the Office.

Example 2:

A rather poor inventor has managed to drum up enough money for the filing fee for a patent application and then proceeds to prepare and file his own patent application, without the assistance of a patent attorney. After a few months, the inventor obtains some financing from an investor, and the inventor and the investor consult the patent attorney to see if he would continue with the prosecution of the application. The attorney reviews the fact pattern and informs both the inventor and the investor that there is unquestionably some prior art, in the form of an earlier publication by the inventor, which must be disclosed before the Office. When the inventor and the investor find that the attorney intends to disclose this prior art as soon as he is engaged as their attorney, the inventor and the investor tell the attorney that they would rather engage the services of some other patent attorney, and that they will not tell the second attorney of the prior art.

Comment:

As I would interpret § 10.85 (b), the first patent attorney would be obliged to inform the Office of the relevant prior art. The first patent attorney would likely have the serial number and filing date of the application, and it would appear to me that the patent attorney would have to disclose not only the prior art, but also disclose the intent of the inventor and the investor not to disclose the same. This is pretty harsh treatment, and I can see

where the inventor and the investor would have some very hard feelings against the patent attorney.

The PTO agrees that under the circumstances of Example 1, a "client . . . might not understand the attorney's duty of disclosure . . ." Likewise, the PTO can understand "where the inventor and the investor [in Example 2] would have some very hard feelings against the patent attorney." Nevertheless, the commentator has correctly noted in each case that the practitioner is required to advise the PTO. The practitioner's obligation under § 10.85(b) has not been changed by the rules and is mandated by *Kingsland v. Dorsey*, 338 U.S. 318 (1949). See also Nahstoll, *The Lawyer's Allegiance: Priorities Regarding Confidentiality*, 41 Wash. & Lee L. Rev. 421 (1984).

A comment was received which suggested that § 10.85 be amended to indicate that it pertains only to matters before the PTO. The suggestion is not being adopted in view of the second sentence of § 10.1.

Two comments were received which suggested that § 10.87(a) could be construed to prohibit a practitioner from recommending that a client meet with an opposing party for settlement discussions. Both comments suggested that § 10.87(a) be amended to permit a practitioner to recommend that a client engage in settlement discussions directly with an opposing party. The suggestion is being adopted and the following sentence has been added to § 10.87(a): "It is not improper, however, for a practitioner to encourage a client to meet with an opposing party for settlement discussions."

A suggestion was made that § 10.87 be amended to indicate that it pertains only to matters before the PTO. The suggestion is not being adopted in view of the second sentence of § 10.1.

One comment suggested that § 10.89(c) (5) be "eliminated on the grounds of vagueness" because one cannot "be expected to comply with apparently unpublished customs of courtesy or practice." The suggestion is being adopted. Subparagraph (6) of § 10.89(c) is being redesignated as subparagraph (5) and has also been changed to read: "Engage in undignified or discourteous conduct before the Office (see § 1.3 of this Subchapter)." Subparagraph (7) has been redesignated as subparagraph (6).

Another comment discussing § 10.89 asked "since when must counsel cite to the Examiner in *ex parte* proceedings cases known to be directly adverse to the position being advocated?" Counsel are expected to advise patent and trademark examiners of known controlling authority which is contrary to a position being advocated. It is important for counsel to do so in *ex parte* cases because there is no *advocate* taking a position contrary to the position being taken by an applicant. See also *Southern Pacific Transportation Co. v. Public Utilities Commission of the State of Calif.*, 716 F.2d 1285, 1291 (9th Cir. 1983).

A commentator contended that § 10.89(a) "makes no sense" because a decision of the PTO may have been overruled by the Federal Circuit. Section 10.89(a) is limited to "a decision of the Office made in the course of a proceeding." Practitioners are expected to follow interlocutory orders entered in PTO proceedings. Obviously if such an order is ultimately overruled or reversed by a court, it no longer need be followed. The same commentator suggested that § 10.89(c) (3) is not appropriate. Specifically, the commentator indicated that practitioners often rely on the specification of a patent application and prior art. The specification and prior art are evidence, not the "practitioner's personal knowledge."

One commentator suggested that §§ 10.92 and 10.93 be amended to indicate that they relate solely to matters before the PTO. This suggestion is not being adopted in view of the second sentence of § 10.1.

A commentator at the hearing suggested that § 10.93 be changed to permit practitioners to discuss procedural matters with interlocutory examiners or members of the Board of Patent Interferences or the Trademark Trial and Appeal Board. In view of Public Law 98-622, November 8, 1984, the Board of Patent Interferences will cease to exist on February 8, 1985. All patent interference cases will be transferred to the Board of Patent Appeals and Interferences and will be assigned to an examiner-in-chief. Practitioners may consult an examiner-in-chief orally upon adequate notice to opposing counsel. A telephone conference call may be arranged when opposing counsel desires to participate in the oral consultation. The same is true of the interlocutory examiners or members of the Trademark Trial and Appeal Board. Questions of a purely procedural nature may be asked. However, an examiner-in-chief or the interlocutory ex-

aminer or member of the Trademark Trial and Appeal Board may nevertheless decline to answer procedural questions without opposing counsel being present or involved in a conference call.

One commentator suggested that §§ 10.101, 10.102, 10.103, and 10.111 be amended to indicate that they refer only to proceedings in the PTO. The suggestion is not being adopted in view of the second sentence of § 10.1.

One comment suggested that practitioners residing in the United States should be able to maintain trust funds in a bank in any State. This suggestion is being adopted and § 10.112(a) has been changed to implement the suggestion. However, if a State bar requires funds to be kept in a bank within the State, a practitioner would be required to keep funds in a bank in the State in order to comply with State rules. Another comment suggested that § 10.112(c)(2) is not practical. According to the commentator, "invention samples and invention disclosures and drawings usually are the client's property, but keeping them in a safe deposit box is totally impractical." The commentator overlooks that portion of § 10.112(c)(2) which reads "in a safe deposit box or other place of safekeeping . . ." A client may consent to a practitioner keeping invention samples, invention disclosures, and drawings in the practitioner's office. The practitioner, of course, should see to it that the office is maintained with appropriate security.

An individual testified at the hearing that § 10.112 is not clear. According to the individual, "I think the rules should specify that if you get money up front from a client, whether it's called a retainer, pre-payment, or whatever . . . that money has to be put into a trust fund or a trust account . . . and that you can't take the money out and spend it until you have performed the services and sent a bill to the client that says X dollars has come out of your trust account in payment of Y services." The PTO believes that § 10.112(b)(2) specifies "that you can't take the money out and spent it until you have performed the services" and that § 10.112(c)(3) specifies that you must send "a bill to the client." Accordingly, no change to § 10.112 is necessary.

One commentator testified at the hearing that the PTO rules do not address "those individuals who, due to a mental or physical defect, are not able to bring themselves in conformity with the rules of conduct . . ." On the contrary, § 10.130 specifies that any practitioner shown to be "incompetent" may be suspended or excluded. The commentator at the hearing referred to an individual "who has a drinking problem or one who is mentally incapable of representing people before the . . . Office." The statute (35 U.S.C. 32) and the rules address such an individual. As noted in the advance notice, the PTO has declined to adopt the suggestion appearing in Manson, *Helping Lawyers Who Need Help (But Won't Ask for It!)*, 25 Va. Bar News 27 (June 1977). See 49 F.R. 10017, column 1 (Mar. 16, 1984). If an individual is suspended due to a drinking problem, reinstatement (see § 10.160) may be conditioned on a clear and convincing showing that the drinking problem has been overcome.

One individual testified at the hearing that a "statute of limitations" should be inserted in § 10.131. This suggestion is not being adopted. As the individual noted during testimony, statutes of limitations do not apply in disciplinary proceedings.

A suggestion was received that § 10.132 be changed to expressly provide that:

No disposition adverse to the respondent shall be recommended by the Director until the respondent shall have been afforded the opportunity to be heard.

This suggestion is not being adopted. Section 10.132(a) provides that, where necessary, the Director shall comply with 5 U.S.C. 558(c) prior to calling a meeting of the Committee on Discipline. The relevant portion of 5 U.S.C. 558(c) provides:

Except in cases of willfulness or those in which public health, interest, or safety required otherwise, the withdrawal, suspension, revocation, or annulment of a license is lawful only if, before the institution of agency proceedings therefor, the license has been given;

- (1) notice by the agency in writing of the facts or conduct which may warrant the action; and
- (2) opportunity to demonstrate or achieve compliance with all lawful requirements.

Where appropriate, a notice under § 588(c) will be issued prior to the time the Director takes a case to the Committee on Discipline. Any reply to the § 558(c) notice will be reviewed by the Director and the Committee on Discipline prior to deciding whether a complaint should be filed.

Another suggestion was received which indicated that § 10.132(c) should be changed so that the "accused practitioner . . . [would] have the right to select an administrative law judge from a panel of such judges, such panel including the names of at least two law judges." This suggestion is not being adopted. No rationale was given in support of the suggestion and there is no known reason to permit a respondent to select the particular administrative law judge (ALJ) to be assigned to hear the practitioner's case.

Several changes have been made in § 10.133 by the PTO which are not in response to any comment or suggestion. The language "§§ 10.132(b) and 10.134" in the first sentence of § 10.133(b) has been changed to § 10.134". This change was made because a reference to § 10.132(b) is not necessary. The language "his or her resignation by filing" in the first sentence of § 10.133(b) has also been deleted as unnecessary. The second sentence of paragraph (b) of § 10.133 has been replaced by new paragraphs (c) and (d). New paragraph (c) specifies the content of an affidavit of resignation filed prior to the date set by the ALJ for a hearing. New paragraph (d) specifies the content of an affidavit of resignation filed on or after the date set by the ALJ for a hearing. Old paragraph (c) has been redesignated as new paragraph (e) and the language "paragraph (b)" therein has been changed to read "paragraphs (b) and (c)". Old paragraphs (d) and (e) have been redesignated as new paragraphs (f) and (g), respectively.

New paragraph (c) of § 10.133 has been added to define the conditions under which a practitioner may resign prior to the date set by the ALJ for a hearing. Experience has shown that practitioners do not readily resign prior to hearing if they are required to admit the charges against them and/or are required to admit that they could not have been defended against the charges or the subject of an investigation. Paragraph (c) does not require a practitioner to admit the charges or any lack of defense at the time of resignation. Rather, under § 10.133(c)(5), any admission is operative at the time of a request for reinstatement and only for the limited purpose of determining the request for reinstatement. By deferring the time when the practitioner makes the admissions, it is believed that settlements are more likely. Once a hearing begins, however, there is no reason to permit a resignation without admission of the facts and a lack of defense. The admissions of paragraph (c)(5) are relevant in determining whether reinstatement should be granted and whether sufficient time has passed between resignation and any application for reinstatement.

One comment was made at the hearing which suggested that "if, in fact there is a real stalemate in a settlement discussion, that there be some avenue so that there be, in essence, binding arbitration" on the part of the respondent and the Director. This suggestion is not being adopted. There is no reason to impose binding arbitration in disciplinary matters. While settlements are to be encouraged, if the parties (the respondent and the Director) cannot reach a mutually agreeable settlement, the proper recourse is to proceed with the disciplinary proceeding.

A suggestion was received that the second sentence of § 10.138 be deleted. The suggestion is not being adopted. The second sentence of § 10.138 provides that evidence obtained by a subpoena under 35 U.S.C. 24 will not be admitted unless prior approval was obtained from the ALJ to proceed under § 24. This provision is necessary to retain control over the proceedings in the ALJ. Moreover, an order authorizing a party to proceed under § 24 can be helpful to any district court which is required to determine whether an individual should be compelled to answer counsel's questions. Additional rationale in support of the PTO's decision not to adopt the suggestion appears in the advance notice (49 F.R. 10019, columns 1 and 2) and in the notice of proposed rulemaking (49 F.R. 33800, column 1).

Two individuals testified at the hearing concerning § 10.144. Section 10.144 provides that hearings in disciplinary cases will not be open to the public. One individual suggested that hearings in disciplinary matters should be opened to the public. The other individual took the opposite position and supported § 10.144 as proposed. The suggestion to open hearings to the public is not being adopted at this time. The PTO believes that a practitioner

should not unnecessarily be exposed to charges of alleged wrongdoing until the practitioner is found to have violated the PTO Code of Professional Responsibility. Unnecessary and premature exposure could cause a practitioner's clients to find other counsel based on mere allegations. Additionally, the PTO is required to maintain information concerning patent applications in secrecy. 35 U.S.C. 122. In most disciplinary cases information concerning a patent application is revealed at any hearing. Accordingly, the PTO will not provide for public hearings. However, the PTO intends to further study the possibility of hearings open to the public (e.g., in a disciplinary proceeding involving only trademark matters) and may, in the future, propose to modify § 10.144.

Numerous comments were received which suggested that the burden of proof set forth in § 10.149 should be changed from "preponderance of evidence" to "clear and convincing evidence." As announced at the hearing, this suggestion is being adopted. The "clear and convincing evidence" standard brings § 10.149 in conformance with § 10.158(d)(1)(ii) which also requires proof by clear and convincing evidence.

The term "clear and convincing evidence" is not susceptible to a precise definition. The PTO, therefore, deems it appropriate to set forth its views on what constitutes "clear and convincing evidence." "Clear and convincing evidence" falls somewhere between proof beyond a reasonable doubt and proof by a preponderance of evidence.

A reasonable doubt is a doubt based upon reason and common sense—the kind of doubt that would make a reasonable person hesitate to act. Proof beyond a reasonable doubt must, therefore, be proof of such a convincing character that a person would be willing to rely and act upon it unhesitatingly in the most important of his or her affairs. Devitt, *Federal Jury Practice and Instructions* § 11.01 (2d ed. 1970).

To establish a fact by a preponderance of evidence means to prove that fact is more likely so than not so. A preponderance of evidence means such evidence as, when considered and compared with that opposed to it, has more convincing force, and produces in the mind of the trier of fact a belief that what is sought to be proved is more likely true than not true. Devitt, *supra* at § 7.01.

Clear and convincing evidence is that measure or degree of proof which will produce in the mind of the trier of fact a firm belief or conviction as to an allegation sought to be established; it is more than a preponderance of evidence, but less than that required to establish guilt beyond a reasonable doubt. *Hobson v. Eaton*, 399 F.2d 781 (6th Cir. 1968). It does not mean clear and unequivocal." *Fred C. Walker Agency, Inc. v. Lucas*, 215 Va. 535, 540-541, 211 S.E.2d 88, 92 (1975).

Several comments were received which suggested that § 10.150 be changed to make the Federal Rules of Evidence applicable to disciplinary proceedings. The suggestion is not being adopted. The PTO has explained, in both the advance notice (49 F.R. 10020, column 2) and the notice of proposed rulemaking (49 F.R. 338001, columns 1 and 2) why it cannot adopt the Federal Rules of Evidence in disciplinary cases. The "Federal Rules of Evidence . . . do not apply to administrative proceedings . . ." Davis, *Administrative Law Treatise*, § 14.01 (Supp. 1970). The controlling law is set out in 5 U.S.C. 556(d) which provides in part: "Any oral or documentary evidence may be received, but the agency as a matter of policy shall provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence. A sanction may not be imposed or rule or order issued except on consideration of the whole record or those parts thereof cited by a party and supported by and in accordance with the reliable, probative, and substantial evidence." It appears to be the concern of some of the comments that the Administrative Procedure Act does not articulate an appropriate standard of evidence and that hearsay may be admitted. Suffice it to say that many adjudications occur daily under the Administrative Procedure Act, including disciplinary proceedings. The following language appearing in an opinion of the Eleventh Circuit in *TRW-United Greenfield Division v. National Labor Relations Board*, 716 F.2d 1391, 1394 (11th Cir. 1983), may be helpful:

At the hearing the ALJ refused to allow five additional employees to testify that other employees told them that such a statement had been made. TRW contends it was denied a full and fair hearing by the exclusion of this testimony. The general rule is that administrative tribu-

nals are not bound by the strict rules of evidence governing jury trials. *Opp Cotton Mills, Inc. v. Administrator of Wage & Hour Div.*, 312 U.S. 126, 155, 61 S.Ct. 524, 537, 85 L.Ed. 624 (1971). Thus, the admission of testimony which would be deemed incompetent in judicial proceedings would not invalidate the administrative order. *Tagg Bros. & Moorhead v. United States*, 280 U.S. 420, 442, 50 S.Ct. 220, 225, 74 L.Ed. 524 (1930). But this assurance of a desirable flexibility in administrative procedure does not go so far as to justify orders without a basis in evidence having rational probative force. Mere uncorroborated hearsay or rumor does not constitute substantial evidence. *Consolidated Edison Co. v. N.L.R.B.*, 305 U.S. 197, 230, 59 S.Ct. 206, 217, 83 L.Ed. 126 (1938). Therefore, the hearsay testimony of other employees would not have amounted to substantial evidence sufficient to support a finding for the company. We find that TRW was not denied a full and fair hearing by the judge's refusal to admit hearsay testimony.

See also *Steadman v. Securities and Exchange Commission*, 450 U.S. 91, 98 n. 17 (1981); *Richardson v. Perales*, 402 U.S. 389, 410-411 (1971); *Brown v. Gamage*, 377 F.2d 154, 158 (D.C. Cir.), cert. denied, 389 U.S. 858 (1967); Annotation, *Hearsay Evidence In Proceedings Before Federal Administrative Agencies*, 6 ALR Fed 76 (1971); and Davis, *Hearsay in Administrative Proceedings*, 32 Geo. Wash. L. Rev. 689 (1964).

A suggestion was received that § 10.151 be changed to make the deposition rules of the Federal Rules of Civil Procedure applicable to disciplinary proceedings. This suggestion is not being adopted. The discovery provisions of the Federal Rules of Civil Procedure are not being adopted by the PTO in disciplinary cases. Except for discovery which the parties agree to make voluntarily, all discovery under these rules will require the prior permission of the ALJ. This prior permission is designed to insure that the ALJ retains control over the proceeding. By requiring prior approval of the ALJ to take a deposition, the rules insure that the deposition will relate to evidence the ALJ deems to be relevant and will afford the ALJ the option of determining whether he or she wishes to observe the witness.

Several comments were received which suggested that § 10.152 be changed to permit more discovery. Some commentators urged adoption of the discovery provisions of the Federal Rules of Civil Procedure relating to requests for admissions, interrogatories, and requests for production of documents. Other commentators felt that the discovery proposed in the notice of proposed rulemaking was not sufficient and that more discovery should be authorized. These latter commentators, however, did not urge adoption of the discovery provisions of the Federal Rules of Civil Procedure. As one commentator noted:

Disciplinary proceedings are not in the nature of civil actions and full discovery within the scope of the Federal Rules of Civil Procedure is probably not needed or desirable.

The PTO agrees that more discovery is appropriate than would have been authorized under § 10.152 as proposed. The PTO does not agree, however, that discovery should be commensurate in scope with the discovery provisions of the Federal Rules of Civil Procedure.

One commentator at the hearing who urged adoption of the discovery provisions of the Federal Rules of Civil Procedure, correctly recognized the existence of "concerns of the Patent [and Trademark] Office regarding what are alleged to be general discovery abuses." There is ample basis for the PTO's concern. See e.g., Pollack, *Discovery—Its Abuse and Correction*, 80 F.R.D. 219 (1979) (reproducing remarks made by Judge Pollack at the Fifth Circuit Judicial Conference on April 26, 1978 at New Orleans). The same commentator at the hearing went on to note, however, that if the ALJ "gets on top of a case and monitors a case very actively, then no discovery abuses will occur, and if they do, they will be dealt with swiftly and properly."

Advocates of discovery "reform" seemingly rely on two principles which are claimed to be the cure-all for discovery abuse: (1) active control by the judge and (2) sanctions. See e.g. *Second Report of the Special Committee for the Study of Discovery Abuse*, 92 F.R.D. 137 (1980). The PTO is not in a position to impose the most effective sanction—costs. However, the PTO

can invest the ALJ with control over discovery. It is because the PTO can invest the ALJ with control over discovery that the suggestion for more discovery is being adopted. Section 10.152 has been changed to permit discovery which the PTO believes will be effective. The scope of the discovery, however, will not be commensurate in scope with the Federal Rules of Civil Procedure.

Paragraph (a) of § 10.152 will permit *limited* discovery an answer is filed. Discovery is not authorized prior to the filing of an answer. A party seeking discovery will have to make out a clear and convincing case to the ALJ that discovery is necessary and relevant. If discovery is authorized, the ALJ may set conditions he or she deems appropriate to accomplish the discovery. For example, the ALJ may set the place and time for inspection of documents which are required to be produced or the ALJ can order a party to mail copies of the documents to the other party. Under paragraph (a) of § 10.152, discovery is limited to a *reasonable* number of requests for admissions, interrogatories, or requests for production of documents and things. Consideration was given to setting numerical maximums for requests for admission, interrogatories and requests for production of documents and things. See e.g., Local Rule 11.1 of the U.S. District Court for the Eastern District of Virginia. However, numerical maximums are not presently specified. Should discovery become a problem, the PTO will give further consideration to limiting the number of discovery requests which a party may file.

Paragraph (b) of § 10.152 specified certain matters which *cannot* be discovered. Matter which will be used by another party solely for impeachment or cross-examination cannot be discovered. Documents which will be used in part of the Director's case-in-chief or the respondent's case-in-rebuttal or affirmative defenses are subject to discovery. Patent applications not available to a respondent under 35 U.S.C. § 122 are not subject to discovery. Matter relating to disciplinary proceedings commenced prior to the effective date of these rules is not available. For the most part, the reasons for a particular length of suspension or disbarment have not been stated in the past. Accordingly, disciplinary proceedings commenced prior to these rules are not particularly relevant. See *Poole v. United States*, 54 A.F.T.R. 2d (P-H) 84-5536 (D.D.C. June 29, 1984). Prior disciplinary proceedings which resulted in public discipline being imposed will continue to be available in the Office of the Director of Enrollment and Discipline. Respondents will continue to be free to inspect the files of those proceedings. Matters relating to experts, except as may be required by the ALJ under § 10.152(e), likewise are not subject to discovery. Privileged matter and attorney work product are excluded from matter which can be discovered.

Paragraph (c) sets forth some factors the ALJ can consider in determining whether to authorize discovery or to limit discovery which is authorized. The factors include delay (which is a major consideration in disciplinary matters), burden on the party required to produce discovery, availability of the discovery sought to the public (in which case, discovery may not be necessary), the extent to which the matter sought to be discovered is equally available to both parties, and the extent to which discovery is available from another source.

Paragraph (d) of § 10.152 requires a party desiring discovery to file a motion which explains, in detail, how each request is relevant to an issue raised in the complaint or the answer.

Paragraph (e) of § 10.152 sets out matter which the ALJ can require a party to produce in a pre-hearing statement. Subparagraph (4) states the matter the ALJ can require disclosed related to experts.

The PTO has every reason to believe that the discovery authorized by § 10.152 will be useful and that sufficient authority has been given to the ALJ to effectively control discovery and prevent abuses. The PTO intends to monitor discovery closely in the future and will consider amending these rules if abuses occur.

One comment suggested that § 10.154(b) be modified by adding "any extenuating circumstances" as a matter to be considered in imposing a penalty. This suggestion is being adopted. Another comment suggested that § 10.154 should address "probation." This suggestion is not being adopted. Nevertheless, the PTO has authority to place a practitioner on probation for all or a portion of any suspension and to revoke the probation upon a showing of a violation. See *In re Dula*, 1030 *Official Gazette* 20 (May 17, 1983).

One comment suggested that § 10.155 be modified to specify that the Director should serve a copy of any appeal "on the respondent or on the attorney for respondent." This suggestion is not being adopted. However, in view of the suggestion the language "on the respondent" (both occurrences) in § 10.155(a) is being deleted. Section 10.142(a) specifies how service is made on a respondent who is represented by an attorney.

A suggestion was received that § 10.157 be modified to provide that a stay would be entered in every case where a respondent seeks judicial review of a decision of the Commissioner. This suggestion was rejected at the time the notice of proposed rulemaking was published (49 F.R. 33802) and is not being adopted. There are cases where a stay is not appropriate, e.g., when the disbarred practitioner is incarcerated. There are other times when a stay may be appropriate. Accordingly, stays will be granted in the discretion of the Commissioner.

Several comments were received discussing § 10.158. Some commentators suggested that § 10.158 was "too lenient" and another suggested that it was "too hard" on suspended and excluded practitioners. Section 10.158 is designed to advise suspended practitioners as to what they can and cannot do during any period of suspension. The PTO believes that § 10.158 strikes a reasonable balance in a difficult area. See the discussion concerning § 10.158 in the advance notice (49 F.R. 10021, columns 2 and 3). One comment suggested that § 10.158 should be made applicable to corporations. This suggestion is being adopted by appropriate changes in § 10.158(c) to refer to client-employers. Another comment suggested that § 10.158(b)(1) and (2) be changed to refer to matters before the PTO. This suggestion is also being adopted.

An oral comment was received asking whether the Director could conduct an investigation in connection with a determination under § 10.158(d). The Director may conduct whatever investigation is warranted to determine whether a suspended or excluded practitioner seeking reinstatement has complied with regulations relating to suspended and excluded practitioners.

A comment was received regarding § 10.159(a) which suggested that the Director notify the American Bar Association National Discipline Data Bank when a practitioner is suspended or excluded. This suggestion is not being adopted as such. However, § 10.159(a) has been changed to authorize the Director to notify "any appropriate bar association." The PTO is not inclined to mention any particular bar association by name in the rules. It will be the practice of the PTO to notify the National Discipline Data Bank, among others, when a practitioner is disciplined. Another comment suggested that the entire file of a disciplinary proceeding should not be open to the public when only some, but not all, charges are sustained. This suggestion is not being adopted. In most disciplinary matters, it would be highly inconvenient to segregate the relevant from the irrelevant. Moreover, once discipline is imposed, the principal rationale for keeping the file secret no longer exists. The disciplined practitioner will suffer whatever public embarrassment results from discipline apart from whether part or all of the file is open to the public.

With respect to § 10.160, one commentator suggested that the burden on the suspended or excluded practitioner for reinstatement be stated in the rules. This suggestion is being adopted and a "clear and convincing showing" requirement has been added to § 10.160(c). Section 10.149 sets out the burden on the Director for proof of allegations in the complaint and upon the respondent for proving affirmative defenses. The showing required by § 10.158(d)(1) is by "clear and convincing evidence." One commentator suggested that the 5-year period of § 10.160(b) should be changed to a 3-year period. This suggestion is not being adopted. According to the commentator, the PTO has failed to state why a 5-year period was proposed. The commentator believes a 3-year period is more appropriate, although no reason is given in support of the commentator's belief. The PTO, after considering the matter, has concluded that some period must be specified and there is no reason to change the 5-year period proposed. A commentator suggested that a practitioner suspended for less than six months should "automatically" be reinstated. This suggestion is not being adopted, because the Director, as a condition to any reinstatement, must find that the suspended practitioner complied with § 10.158. Another commentator questioned whether the rules should provide for application for reinstatement during a period of probation. The PTO believes the rules need not make provision for application for reinstatement during probation. For example, if a practitioner is

suspended for a period of three years and it is ordered that the practitioner be actually suspended for at least one year *and* that the last two years the practitioner be placed on probation, the practitioner would be able to apply for reinstatement after serving one year of the three year suspension.

The PTO disagrees with the following comment concerning § 10.161(b). "This clause is *ex post facto* legislation as it seeks retroactively an increase of penalties regarding conduct which occurred prior to the legislation." No legislation is involved. Section 10.161(b) does not "increase penalties."

Table 1
Principal Source of Sections 10.2 through 10.19

Sec.	
10.1 (preamble)	35 USC 31; <i>Sperry v. Florida</i> , 373 U.S. 379, 402 (1963)
10.1	35 USC 25; 28 USC 1746
10.1(c)	5 USC 500(b)
10.1(q)	1 USC 1
10.1(aa)	35 USC 100(c)
10.2(a)	New
10.2(b)(1)	New, but see 37 CFR 1.341(i) (1983)
10.2(b)(2)	New, but see 37 CFR 1.348(a) (1983)
10.2(c)	New, but see 37 CFR 1.341(i) (1983)
10.3	37 CFR 1.341(i) (1983)
10.4(a)	New
10.4(b)	New, but see 37 CFR 1.348(a) (1983)
10.4(c)	New
10.5	37 CFR 1.341 (1983)
10.6(a)	37 CFR 1.341(a) (1983)
10.6(b)	37 CFR 1.341(b) (1983)
10.6(c)	37 CFR 1.341(e) (1983)
10.6(d)	37 CFR 1.341(f) (1983)
10.6(e)	37 CFR 1.341(g) (1983)
10.7(a), (b)	37 CFR 1.341(c) (1983)
10.7(c)	New
10.8	37 CFR 1.341(h) (1983)
10.9(a)	37 CFR 1.342 (1983)
10.9(b)	New
10.10	37 CFR 1.343 (1983)
10.11	37 CFR 1.347 (1983)
10.12	[reserved]
10.13	[reserved]
10.14	5 USC 500(b) and 37 CFR 2.12 (1983)
10.15	35 USC 32; 5 USC 500(d) (2); 37 CFR 1.343 (1983); and 37 CFR 2.12(f) (1983)
10.16	[reserved]
10.17	[reserved]
10.18(a)	37 CFR 1.346 (1983) and 37 CFR 2.15 (1983), see also Rule 11, FRCP
10.18(b)	35 USC 32 & Rule 11, FRCP
10.19	[reserved]

Table 2
Principle Source of Sections of 10.20 through 10.112, the PTO Code of Professional Responsibility

Abbreviations:

FRCP means Federal Rules of Civil Procedure

MCPR means Model Code of Professional Responsibility of the ABA (1980)

MRPC means Model Rules of Professional Conduct of the ABA (1983)

VCPR means the Virginia Code of Professional Responsibility (1984)

Sec.	
10.20	Preamble to MCPR (1980)
10.21	MCPR Canon 1 (1980)
10.22	MCPR DR 1-101 (1980)
10.23(a)	35 U.S.C. 32
10.23(b)(1)	35 U.S.C. 32 and MCPR DR 1-102(A) (1) (1980)
10.23(b)(2)-(6)	MCPR DR 1-102(A) (2)-(6) (1980)
10.23(c)(1)-(14)	PTO created
10.23(c)(15)	Rule 11, FRCP

10.23(c)(16)-(18)	PTO created
10.23(d)	<i>U.S. v. Beecroft</i> , 608 F.2d 753 (9th Cir. 1979)
10.24	MCPR 1-103 (1980)
10.25 through 10.29	(reserved)
10.30	MCPR Canon 2 (1980)
10.31(a)	35 U.S.C. 32
10.31(b)	5 U.S.C. 501
10.31(c)	37 CFR 1.345(c) (1983)
10.31(d)	Newly created
10.32	MRPC Rule 7.2 (1983)
10.33	MRPC Rule 7.3 (1983)
10.34	MRPC Rule 7.4 (1983)
10.35(a)	5 U.S.C. 501 and MRPC Rule 7.5 (1983)
10.35(b)	MRPC Rule 7.5 (1983)
10.36	MCPR DR 2-106 (1980)
10.37	MCPR DR 2-107 (1980)
10.38	MCPR DR 2-108 (1980)
10.39	MCPR DR 2-109 (1980)
10.40	MCPR DR 2-110 (1980)
10.41 through 10.45	(reserved)
10.46	MCPR Canon 3 (1980)
10.47(a), (c)	MCPR DR 3-101 (1980)
10.47(b)	New (but see e.g., <i>Crawford v. State Bar of California</i> , 7 Cal. Rptr. 746, 355 P.2d 490 (Cal. 1960))
10.48	MCPR DR 3-102 (1980)
10.49	MCPR DR 3-103 (1980)
10.50 through 10.55	(reserved)
10.56	MCPR Canon 4 (1980)
10.57	MCPR DR 4-101 (1980)
10.58 through 10.60	(reserved)
10.61	MCPR Canon 5 (1980)
10.62	MCPR DR 5-101 (1980)
10.63	MCPR DR 5-102 (1980)
10.64	MCPR DR 5-103 (1980)
10.65	MCPR DR 5-104 (1980)
10.66	MCPR DR 5-105 (1980)
10.67	MCPR DR 5-106 (1980)
10.68	MCPR DR 5-107 (1980)
10.69 through 10.75	(reserved)
10.76	MCPR Canon 6 (1980)
10.77	MCPR DR 6-101 (1980)
10.78	MCPR DR 6-102 (1980)
10.79 through 10.82	(reserved)
10.83	MCPR Canon 7 (1980)
10.84	MCPR DR 7-101 (1980)
10.85	MCPR DR 7-102 (1980)
10.86	(reserved)
10.87	MCPR DR 7-104 (1980)
10.88	MCPR DR 7-105 (1980)
10.89	MCPR DR 7-106 (1980)
10.90	(reserved)
10.91	(reserved)
10.92	MCPR DR 7-109 (1980)
10.93	VCPR DR 7-109 (1984)
10.94 through 10.99	(reserved)
10.100	MCPR Canon 8 (1980)
10.101(a)	MCPR DR 8-101 (1980)
10.101(b)	37 CFR 1.341(f) (1983) and 41 Cp. Att'y Gen. 21 (1949), <i>reprinted in</i> 1949 Dec. Comm'r Pat. 1
10.102	MCPR DR 8-102 (1980)
10.103	MCPR DR 8-103 (1980)
10.104 through 10.109	(reserved)
10.110	MCPR Canon 9 (1980)
10.111	MCPR DR 9-101 (1980)
10.112	MCPR DR 9-102 (1980)

Table 3
Principal Source of Sections 10.130 through 10.161

Section	Source
10.130	35 U.S.C. 32
10.131(a)	New, but see 37 CFR 1.348(a)
10.131(b)	MCPR DR 1-103 (1980)
10.131(c)	New
10.132(a),(c)	New
10.132(b)	New, but see 37 CFR 1.348(b) (1983)
10.133	New
10.134	37 CFR 1.348(b) (1983)
10.135(a)(1)	New
10.135(a)(2)	37 CFR 1.348(b) (1983)
10.135(a)(3)	New
10.135(b)	New
10.135(c)	New
10.135(d)	5 USC 500(f)
10.136(a)	37 CFR 1.348(c) (1983)
10.136(b)	New
10.136(c)	37 CFR 1.348(c) (1983)
10.136(d)	37 CFR 1.348(c) (1983)
10.136(e)	New
10.137	37 CFR 1.348(c) (1983)
10.138	New
10.139(a)	5 USC 3105
10.139(b)	5 USC 556(c)
10.139(c)	New
10.139(d)	New
10.139(e)	New
10.140(a)	5 USC 500(b)
10.140(b)	New
10.141	New
10.142	New
10.143	New
10.144	New
10.145	New
10.146-10.148	[reserved]
10.149	New
10.150(a)	5 USC 556(d)
10.150(b)	37 CFR 1.348 (d) (3) (1983)
10.150(c)	New
10.150(d)	New
10.150(e)	New
10.151	37 CFR 1.348(d) (3) (1983)
10.152	New, see <i>Silverman v. CFTC</i> , 549 F.2d 28 (7th Cir. 1977)
10.153	New, but see 5 USC 557(c)
10.154	See 5 USC 557(b) and 35 USC 32
10.155	New
10.156	New
10.157	35 USC 32, Local Rule 1-26 (D.D.C.)
10.158	New
10.159	New
10.160	New
10.161	New
10.162-10.169	[reserved]
10.170	New, but see 37 CFR 1.183

Other Considerations: The rules will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rules are in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354) and Executive Order 12291.

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the rules will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rules regulate the conduct of attorneys and agents who represent individuals and juristic entities before the Patent and Trademark Office and would not be expected to result in an increase of fees charged by attorneys and agents to entities, including small entities.

The Patent and Trademark Office has determined that the rules are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of the United States-based enter-

prises to compete with foreign-based enterprises in domestic or export markets.

The information reporting requirements contained in the rules have been approved by the Office of Management and Budget, OMB Control No. 0651-0012 and OMB Control No. 0651-0017.

List of Subjects in 37 CFR Parts 1, 2 and 10.

Administrative practice and procedure, Authority delegations, Conflict of interests, Courts, Inventions and patents, Trademarks, Lawyers.

For the reasons given in the preamble and under the authority granted to the Commissioner of Patents and Trademarks by 5 U.S.C. 500; 15 U.S.C. 1123; and 35 U.S.C. 6, 31, 32, and 41. Parts 1, 2, and 10 of Title 37 of the Code of Federal Regulations are amended as set forth below:

Part 1—Rules of Practice in Patent Cases

1. Section 1.8 is amended by adding to paragraph (a) (12) a new subparagraph (xiii) to read as follows:

§ 1.8 Certificate of mailing.

- (a) * * *
- (2) * * *
- (xiii) Papers filed in connection with a disciplinary proceeding under Part 10 of this Subchapter.

2. Section 1.21 is amended by adding to paragraph (a) two new subparagraphs (5) and (6) to read as follows:

§ 1.21 Miscellaneous fees and charges.

- (a) * * *
- (5) For review of a decision of the Director of Enrollment and Discipline under § 10.2(c) 60.00
- (6) For requesting regrading of an examination under § 10.7(c) 60.00

* * * * *

3. Section 1.31 is revised to read as follows:

§ 1.31 Applicants may be represented by a registered attorney or agent.

An applicant for patent may file and prosecute his or her own case, or he or she may be represented by a registered attorney, registered agent, or other individual authorized to practice before the Patent and Trademark Office in patent cases. See §§ 10.6 and 10.9 of this Subchapter. The Patent and Trademark Office cannot aid in the selection of a registered attorney or agent.

4. Section 1.33 is amended by removing from paragraph (c) “1.341 and 1.347” and inserting in its place “10.5 and 10.11”.

5. Section 1.34 is amended by revising paragraph (a) as follows:

§ 1.34 Recognition for representation.

(a) When a registered attorney or agent acting in a representative capacity appears in person or signs a paper in practice before the Patent and Trademark Office in a patent case, his or her personal appearance or signature shall constitute a representation to the Patent and Trademark Office that under the provisions of this Subchapter and the law, he or she is authorized to represent the particular party in whose behalf he or she acts. In filing such a paper, the registered attorney or agent should specify his or her registration number with his or her signature. Further proof of authority to act in a representative capacity may be required.

* * * * *

6. Section 1.56 is amended by removing from paragraphs (f) and (h) "1.346" and inserting in its place "10.18".

7. The center heading preceding § 1.341 is removed.

8. Sections 1.341 through 1.348 are removed.

9. Section 1.455 is amended by removing from paragraph (a) "1.341" and inserting in its place "10.10".

Part 2—Rules of Practice in Trademark Cases

10. Section 2.11 is revised to read as follows:

§ 2.11 Applicants may be represented by an attorney.

The owner of a trademark may file and prosecute his or her own application for registration of such trademark, or he or she may be represented by an attorney or other individual authorized to practice in trademark cases under § 10.14 of this Subchapter. The Patent and Trademark Office cannot aid in the selection of an attorney or other representative.

11. Sections 2.12 through 2.16 are removed.

12. Section 2.17 is amended by revising paragraph (a) as follows:

§ 2.17 Recognition for representation.

(a) When an attorney as defined in § 10.1(c) of this Subchapter acting in a representative capacity appears in person or signs a paper in practice before the Patent and Trademark Office in a trademark case, his or her personal appearance or signature shall constitute a representation to the Patent and Trademark Office that, under the provisions of § 10.14 and the law he or she is authorized to represent the particular party in whose behalf he or she acts. Further proof of authority to act in a representative capacity may be required.

13. Section 2.19 is revised to read as follows:

§ 2.19 Revocation of power of attorney or of other authorization to represent, withdrawal.

(a) Authority to represent an applicant or a party to a proceeding may be revoked at any stage in the proceedings of a case upon notification to the Commissioner; and when it is so revoked, the Office will communicate directly with the applicant or party to the proceeding or with such other qualified person as may be authorized. The Patent and Trademark Office will notify the person affected of the revocation of his or her authorization.

(b) An individual authorized to represent an applicant or party in a trademark case may withdraw upon application to and approval by the Commissioner.

14. The following Part 10 is added:

Part 10—Representation of others before the Patent and Trademark Office

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[reserved]

Patent and Trademark Office Code of Professional Responsibility

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Canons and Disciplinary Rules

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Maintaining integrity and competence of the legal profession

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Canon 2

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Advertising

Direct contact with prospective clients

Communication of fields of practice

Firm names and letterheads

Fees for legal services

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Acceptance of employment

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[reserved]

Canon 3

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[reserved]

Canon 4

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Canon 5

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Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41

Part 10—Representation of others before the Patent and Trademark Office

§ 10.1 Definitions.

This part governs solely the practice of patent, trademark, and other law before the Patent and Trademark Office. Nothing in this part shall be construed to preempt the authority of each State

to regulate the practice of law, except to the extent necessary for the Patent and Trademark Office to accomplish its federal objectives. Unless otherwise clear from the context, the following definitions apply to this part:

(a) "Affidavit" means affidavit, declaration under 35 U.S.C. 25 (see § 1.68 and § 2.20 of this Subchapter), or statutory declaration under 28 U.S.C. 1746.

(b) "Application" includes an application for a design, plant, or utility patent, an application to reissue any patent, and an application to register a trademark.

(c) "Attorney" or "lawyer" means an individual who is a member in good standing of the bar of any United States court or the highest court of any State. A "non-lawyer" is a person who is not an attorney or lawyer.

(d) "Canon" is defined in § 10.20(a).

(e) "Confidence" is defined in § 10.57(a).

(f) "Differing interests" include every interest that may adversely affect either the judgment or the loyalty of a practitioner to a client, whether it be a conflicting, inconsistent, diverse, or other interest.

(g) "Director" means the Director of Enrollment and Discipline.

(h) "Disciplinary Rule" is defined in § 10.20(b).

(i) "Employee of a tribunal" includes all employees of courts, the Office, and other adjudicatory bodies.

(j) "Giving information" within the meaning of § 10.23(c)(2) includes making (1) a written statement or representation or (2) an oral statement or representation.

(k) "Law firm" includes a professional legal corporation or a partnership.

(l) "Legal counsel" means practitioner.

(m) "Legal profession" includes the individuals who are lawfully engaged in practice of patent, trademark, and other law before the Office.

(n) "Legal service" means any legal service which may lawfully be performed by a practitioner before the Office.

(o) "Legal System" includes the Office and courts and adjudicatory bodies which review matters on which the Office has acted.

(p) "Office" means Patent and Trademark Office.

(q) "Person" includes a corporation, an association, a trust, a partnership, and any other organization or legal entity.

(r) "Practitioner" means (1) an attorney or agent registered to practice before the Office in patent cases or (2) an individual authorized under 5 U.S.C. 500(b) or otherwise as provided by this Subchapter, to practice before the Office in trademark cases or other non-patent cases. A "suspended or excluded practitioner" is a practitioner who is suspended or excluded under § 10.156. A "non-practitioner" is an individual who is not a practitioner.

(s) A "proceeding before the Office" includes an application, a reexamination, a protest, a public use proceeding, a patent interference, an *inter partes* trademark proceeding, or any other proceeding which is pending before the Office.

(t) "Professional legal corporation" means a corporation authorized by law to practice law for profit.

(u) "Registration" means registration to practice before the Office in patent cases.

(v) "Respondent" is defined in § 10.134(a)(1).

(w) "Secret" is defined in § 10.57(a).

(x) "Solicit" is defined in § 10.33.

(y) "State" includes the District of Columbia, Puerto Rico, and other federal territories and possessions.

(z) "Tribunal" includes courts, the Office, and other adjudicatory bodies.

(aa) "United States" means the United States of America, its territories and possessions.

§ 10.2 Director of Enrollment and Discipline.

(a) *Appointment.* The Commissioner shall appoint a Director of Enrollment and Discipline. In the event of the absence of the Director or a vacancy in the office of the Director, the Commissioner may designate an employee of the Office to serve as acting Director of Enrollment and Discipline. The Director and any acting Director shall be an active member in good standing of the bar of a State.

(b) *Duties.* The Director shall:

(1) Receive and act upon applications for registration, prepare and grade the examination provided for in § 10.7(b), maintain the register provided for in § 10.5, and perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary.

(2) Conduct investigations into possible violations by practitioners of Disciplinary Rules, with the consent of the Committee on Discipline initiate disciplinary proceedings under § 10.132(b), and perform such other duties in connection with investigations and disciplinary proceedings as may be necessary.

(c) *Review of Director's decision.* Any final decision of the Director refusing to register an individual under § 10.6, recognize an individual under §§ 10.9 or 10.14(c), or reinstate a suspended or excluded petitioner under § 10.160, may be reviewed by petition to the Commissioner upon payment of the fee set forth in § 1.21(a)(5). A petition filed more than 30 days after the date of the decision of the Director may be dismissed as untimely. Any petition shall contain (1) a statement of the facts involved and the points to be reviewed and (2) the action requested. Briefs or memoranda, if any, in support of the petition shall accompany or be embodied therein. The petition will be decided on the basis of the record made before the Director and no new evidence will be considered by the Commissioner in deciding the petition. Copies of documents already of record before the Director shall not be submitted with the petition. An oral hearing on the petition will not be granted except when considered necessary by the Commissioner.

(OMB Control No. 0651-0012).

§ 10.3 *Committee on Enrollment.*

(a) The Commissioner may establish a Committee on Enrollment composed of one or more employees of the Office.

(b) The Committee on Enrollment shall, as necessary, advise the Director in connection with the Director's duties under § 10.2(b)(1).

§ 10.4 *Committee on Discipline.*

(a) The Commissioner shall appoint a Committee on Discipline. The Committee on Discipline shall consist of the at least three employees of the Office, none of whom reports directly or indirectly to the Director or the Solicitor. Each member of the Committee on Discipline shall be a member in good standing of the bar of a State.

(b) The Committee on Discipline shall meet at the request of the Director and after reviewing evidence presented by the Director shall, by majority vote, determine whether there is probable cause to bring charges under § 10.132 against a practitioner. When charges are brought against a practitioner, no member of the Committee on Discipline, employee under the direction of the Director, or associate solicitor or assistant solicitor in the Office of the Solicitor shall participate in rendering a decision on the charges.

(c) No discovery shall be authorized of, and no member of the Committee on Discipline shall be required to testify about, deliberations of the Committee on Discipline.

**Individuals Entitled to Practice
Before the Patent and Trademark Office**

§ 10.5 *Register of attorneys and agents in patent cases.*

A register of attorneys and agents is kept in the Office on which are entered the names of all individuals recognized as entitled to represent applicants before the Office in the preparation and prosecution of applications for patent. Registration in the Office under provisions of this part shall only entitle the individuals registered to practice before the Office in patent cases.

§ 10.6 *Registration of attorneys and agents.*

(a) *Attorneys.* Any citizen of the United States who is an attorney and who fulfills the requirements of this part may be

registered as a patent attorney to practice before the Office. When appropriate, any alien who is an attorney, who lawfully resides in the United States, and who fulfills the requirements of this part may be registered as a patent attorney to practice before the Office, *provided:* registration is not inconsistent with the terms upon which the alien was admitted to, and resides in, the United States and *further provided:* the alien may remain registered only (1) if the alien continues to lawfully reside in the United States and registration does not become inconsistent with the terms upon which the alien continues to lawfully reside in the United States or (2) if the alien ceases to reside in the United States, the alien is qualified to be registered under paragraph (c) of this section. See also § 10.9(b).

(b) *Agents.* Any citizen of the United States who is not an attorney and who fulfills the requirements of this part may be registered as a patent agent to practice before the Office. When appropriate, any alien who is not an attorney, who lawfully resides in the United States, and who fulfills the requirements of this part may be registered as a patent agent to practice before the Office, *provided:* registration is not inconsistent with the terms upon which the alien was admitted to, and resides in, the United States, and *further provided:* the alien may remain registered only (1) if the alien continues to lawfully reside in the United States and registration does not become inconsistent with the terms upon which the alien continues to lawfully reside in the United States or (2) if the alien ceases to reside in the United States, the alien is qualified to be registered under paragraph (c) of this section. See also § 10.9(b).

Note: All individuals registered prior to Nov. 15, 1938, were registered as attorneys, whether they were attorneys or not, and such registrations have not been changed.

(c) *Foreigners.* Any foreigner not a resident of the United States who shall file proof to the satisfaction of the Director that he or she is registered and in good standing before the patent office of the country in which he or she resides and practices and who is possessed of the qualifications stated in § 10.7, may be registered as a patent agent to practice before the Office for the limited purpose of presenting and prosecuting patent applications of applicants located in such country, *provided:* the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent and Trademark Office. Registration as a patent agent under this paragraph shall continue only during the period that the conditions specified in this paragraph obtain.

(d) *Government employees.* Any officer or employee of the United States who is disqualified by statute (18 U.S.C. 203, 205) from practicing as an attorney or agent in proceedings or other matters before Government departments or agencies, may not be registered to practice before the Office. If any registered attorney or agent becomes an officer or employee of the United States who is disqualified by statute from practicing as an attorney or agent in proceedings and other matters before Government departments or agencies, his or her name shall be endorsed as inactive on the register during the period of any employment by the United States. An officer or employee of the United States whose official duties require the preparation and prosecution of applications for patent and who fulfills the requirements of this part may be registered to practice before the Office to the extent necessary to carry out his or her official duties. A written statement describing the official duties of the officer or employee and signed on behalf of the agency employing the officer or employee may be required by the Director.

(e) *Former Office employees.* No individual who has served in the Office will be registered after termination of his or her services, nor if registered before such service, be reinstated, unless he or she signs a written statement indicating that he or she has read 18 U.S.C. 207. No individual who has served in the patent examining corps of the Office will be registered after termination of his or her services, nor if registered before such service, be reinstated, unless he or she signs a written undertaking (1) not to prosecute or aid in any manner in the prosecution of any patent application pending in any patent examining group during his or her period of service therein and (2) not to prepare or prosecute or to assist in any manner in the preparation or prosecution of any patent application of another (i) assigned to such group for examination and (ii) filed within two years after the date he or she left such group, without written authorization of the Director. Associated and related classes in other patent examining groups may be required to be included in the under-

taking or designated classes may be excluded from the undertaking. When an application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered or reinstated if he or she has prepared or prosecuted or assisted in the preparation or prosecution of any patent application as indicated in this paragraph.

(OMB Control No. 0651-0012)

§ 10.7 Requirements for registration.

(a) No individual will be registered to practice before the Office unless he or she shall:

(1) apply to the Commissioner in writing on a form supplied by the Director and furnish all requested information and material and

(2) establish to the satisfaction of the Director that he or she is:

- (i) of good moral character and repute;
- (ii) possessed of the legal, scientific, and technical qualifications necessary to enable him or her to render applicants for patents valuable service; and
- (iii) is otherwise competent to advise and assist applicants for patents in the presentation and prosecution of their applications before the Office.

(b) In order that the Director may determine whether an individual seeking to have his or her name placed upon the register has the qualifications specified in paragraph (a) of this section, satisfactory proof of good moral character and repute and of sufficient basic training in scientific and technical matters must be submitted to the Director. Except as provided in this paragraph, each applicant for registration must take and pass an examination which is held from time to time. Each application for admission to take the examination for registration must be accompanied by the fee set forth in § 1.21(a)(1) of this Subchapter. The taking of an examination may be waived in the case of any individual who has actively served for at least four years in the patent examining corps of the Office. The examination will not be administered as a mere academic exercise.

(c) Within two months from the date an applicant is notified that he or she failed an examination, the applicant may request regrading of the examination upon payment of the fee set forth in § 1.21(a)(6). Any applicant requesting regrading shall particularly point out the errors which the applicant believed occurred in the grading of his or her examination.

(OMB Control No. 0651-0012)

§ 10.8 Oath and registration fee.

Before an individual may have his or her name entered on the register of attorneys and agents, the individual must, after his or her application is approved, subscribe and swear to an oath or make a declaration prescribed by the Commissioner and pay the registration fee set forth in § 1.21(a)(2) of this Subchapter.

(OMB Control No. 0651-0012)

§ 10.9 Limited recognition in patent cases.

(a) Any individual not registered under § 10.6 may, upon a showing of circumstances which render it necessary or justifiable, be given limited recognition by the Director to prosecute as attorney or agent a specified application or specified applications, but limited recognition under this paragraph shall not extend further than the application or applications specified.

(b) When registration of a resident alien under paragraphs (a) or (b) of § 10.6 is not appropriate, the resident alien may be given limited recognition as may be appropriate under paragraph (a) of this section.

§ 10.10 Individuals not registered or recognized to practice in patent cases.

Only practitioners who are registered under § 10.6 or individuals given limited recognition under § 10.9 will be permitted to prosecute patent applications of others before the Office.

§ 10.11 Removing names from the register.

(a) Registered attorneys and agents shall notify the Director of any change of address. Any notification to the Director of any change of address shall be separate from any notice of change of address filed in individual applications.

(b) A letter may be addressed to any individual on the register, at the address of which separate notice was last received by the Director, for the purpose of ascertaining whether such individual desires to remain on the register. The name of any individual failing to reply and give any information requested by the Director within a time limit specified will be removed from the register and the names of individuals so removed will be published in the *Official Gazette*. The name of any individual so removed may be reinstated on the register as may be appropriate and upon payment of the fee set forth in § 1.21(a)(3) of this Subchapter.

(OMB Control No. 0651-0012)

§§ 10.12-10.13 [reserved]

§ 10.14 Individuals who may practice before the Office in trademark and other non-patent cases.

(a) *Attorneys.* Any individual who is an attorney may represent others before the Office in trademark and other non-patent cases. An attorney is not required to apply for registration or recognition to practice before the Office in trademark and other non-patent cases.

(b) *Non-lawyers.* Individuals who are not attorneys are not recognized to practice before the Office in trademark and other non-patent cases, except that individuals not attorneys who were recognized to practice before the Office in trademark cases under this chapter prior to Jan. 1, 1957, will be recognized as agents to continue practice before the Office in trademark cases.

(c) *Foreigners.* Any foreign attorney or agent not a resident of the United States who shall prove to the satisfaction of the Director that he or she is registered or in good standing before the patent or trademark office of the country in which he or she resides and practices, may be recognized for the limited purpose of representing parties located in such country before the Office in the presentation and prosecution of trademark cases, *provided:* the patent or trademark office of such country allows substantially reciprocal privileges to those permitted to practice in trademark cases before the United States Patent and Trademark Office. Recognition under this paragraph shall continue only during the period that the conditions specified in this paragraph obtain.

(d) Recognition of any individual under this section shall not be construed as sanctioning or authorizing the performance of any act regarded in the jurisdiction where performed as the unauthorized practice of law.

(e) No individual other than those specified in paragraphs (a), (b), and (c) of this section will be permitted to practice before the Office in trademark cases. Any individual may appear in a trademark or other non-patent case in his or her own behalf. Any individual may appear in a trademark case for (1) a firm of which he or she is a member or (2) a corporation or association of which he or she is an officer and which he or she is authorized to represent, if such firm, corporation, or association is a party to a trademark proceeding pending before the Office.

§ 10.15 Refusal to recognize a practitioner.

Any practitioner authorized to appear before the Office may be suspended or excluded in accordance with the provisions of this part. Any practitioner who is suspended or excluded under this subpart or removed under § 10.11(b) shall not be entitled to practice before the Office.

§§ 10.16-10.17 [reserved]

§ 10.18 Signature and certificate of practitioner.

(a) Every paper filed by a practitioner representing an applicant or party to a proceeding in the Office must bear the signature of, and be personally signed by, such practitioner except those papers which are required to be signed by the applicant or party.

The signature of practitioner to a paper filed by him or her, constitutes a certificate that:

- (1) the paper has been read by the practitioner;
- (2) the paper's filing is authorized;
- (3) to the best of his or her knowledge, information, and belief, there is good ground to support the paper, including any allegations of improper conduct contained or alleged therein; and
- (4) it is not interposed for delay.

(b) Any practitioner knowingly violating the provisions of this section is subject to disciplinary action. See § 10.23(c)(15).

§ 10.19 [reserved]

Patent and Trademark Office Code of Professional Responsibility

§ 10.20 *Canons and Disciplinary Rules.*

(a) Canons are set out in §§ 10.21, 10.30, 10.46, 10.56, 10.61, 10.76, 10.83, 10.100, and 10.110. Canons are statements of axiomatic norms, expressing in general terms the standards of professional conduct expected of practitioners in their relationships with the public, with the legal system, and with the legal profession.

(b) Disciplinary Rules are set out in §§ 10.22-10.24, 10.31-10.40, 10.47-10.57, 10.62-10.68, 10.77, 10.78, 10.84, 10.85, 10.87-10.89, 10.92, 10.93, 10.101-103, 10.111, and 10.112. Disciplinary Rules are mandatory in character and state the minimum level of conduct below which no practitioner can fall without being subjected to disciplinary action.

§ 10.21 *Canon 1.*

A practitioner should assist in maintaining the integrity and competence of the legal profession.

§ 10.22 *Maintaining integrity and competence of the legal profession.*

(a) A practitioner is subject to discipline if the practitioner has made a materially false statement in, or if the practitioner has deliberately failed to disclose a material fact requested in connection with, the practitioner's application for registration or membership in the bar of any United States court or any State court or his or her authority to otherwise practice before the Office in trademark and other non-patent cases.

(b) A practitioner shall not further the application for registration or membership in the bar of any United States court, State court, or administrative agency of another person known by the practitioner to be unqualified in respect to character, education, or other relevant attribute.

§ 10.23 *Misconduct.*

(a) A practitioner shall not engage in disreputable or gross misconduct.

(b) A practitioner shall not:

- (1) Violate a Disciplinary Rule.
- (2) Circumvent a Disciplinary Rule through actions of another.
- (3) Engage in illegal conduct involving moral turpitude.
- (4) Engage in conduct involving dishonesty, fraud, deceit, or misrepresentation.
- (5) Engage in conduct that is prejudicial to the administration of justice.
- (6) Engage in any other conduct that adversely reflects on the practitioner's fitness to practice before the Office.

(c) Conduct which constitutes a violation of paragraphs (a) and (b) of this section includes, but is not limited to:

- (1) Conviction of a criminal offense involving moral turpitude, dishonesty, or breach of trust.
- (2) Knowingly giving false or misleading information or knowingly participating in a material way in giving false or misleading information, to:

- (i) A client in connection with any immediate, prospective, or pending business before the Office.
- (ii) The Office or any employee of the Office.

(3) Misappropriation of, or failure to properly or timely remit, funds received by a practitioner or the practitioner's firm from a client to pay a fee which the client is required by law to pay to the Office.

(4) Directly or indirectly improperly influencing, attempting to improperly influence, offering or agreeing to improperly influence, or attempting to offer or agree to improperly influence an official action of any employee of the Office by:

- (i) use of threats, false accusations, duress, or coercion,
- (ii) an offer of any special inducement or promise of advantage, or
- (iii) improperly bestowing of any gift, favor, or thing of value.

(5) Suspension or disbarment from practice as an attorney or agent on ethical grounds by any duly constituted authority of a State or the United States or, in the case of a practitioner who resides in a foreign country or is registered under § 10.6(c), by any duly constituted authority of:

- (i) a State,
- (ii) the United States, or
- (iii) the country in which the practitioner resides.

(6) Knowingly aiding or abetting a practitioner suspended or excluded from practice before the Office in engaging in unauthorized practice before the Office under § 10.158.

(7) Knowingly withholding from the Office information identifying a patent or patent application of another from which one or more claims have been copied. See §§ 1.604(b) and 1.607(c) of this Subchapter.

(8) Failing to inform a client or former client or failing to timely notify the Office of an inability to notify to a client or former client of correspondence received from the Office or the client's or former client's opponent in an *inter partes* proceeding before the Office when the correspondence (i) could have a significant effect on a matter pending before the Office, (ii) is received by the practitioner on behalf of a client or former client and (iii) is correspondence of which a reasonable practitioner would believe under the circumstances the client or former client should be notified.

(9) Knowingly misusing a certificate of mailing under § 1.8 of this Subchapter or a certificate of "Express Mail" under § 1.10 of this Subchapter.

(10) Violating the duty of candor or good faith requirements of § 1.56(a) of this Subchapter.

(11) Knowingly filing, or causing to be filed, an application which is subject to being stricken under § 1.56(c) of this Subchapter.

(12) Knowingly filing, or causing to be filed, a frivolous complaint alleging a violation by a practitioner of the Patent and Trademark Office Code of Professional Responsibility.

(13) Knowingly preparing or prosecuting a patent application in violation of an undertaking signed under § 10.6(e).

(14) Knowingly failing to advise the Director in writing of any change which would preclude continued registration under § 10.6.

(15) Knowingly signing a paper filed in the Office in violation of the provisions of § 10.18 or making a scandalous or indecent statement in a paper filed in the Office.

(16) Willfully refusing to reveal or report knowledge or evidence to the Director contrary to § 10.24 or paragraph (b) of § 10.131.

(17) Representing before the Office in a patent case either a joint venture comprising an inventor and an invention developer or an inventor referred to the registered practitioner by an invention developer when (i) the registered practitioner knows, or has been advised by the Office, that a formal complaint filed by a federal or state agency, based on any violation of any law relating to securities, unfair methods of competition, unfair or deceptive acts or practices, mail fraud, or other civil or criminal conduct, is pending before a federal or state court or federal or state agency, or has been resolved unfavorably by such court or agency, against the invention developer in connection with

invention development services and (ii) the registered practitioner fails to fully advise the inventor of the existence of the pending complaint or unfavorable resolution thereof prior to undertaking or continuing representation of the joint venture or inventor. "Invention developer" means any person, and any agent, employee, officer, partner, or independent contractor thereof, who is not a registered practitioner and who advertises invention development services in media of general circulation or who enters into contracts for invention development services with customers as a result of such advertisement. "Invention development services" means acts of invention development required or promised to be performed, or actually performed, or both, by an invention developer for a customer. "Invention development" means the evaluation, perfection, marketing, brokering, or promotion of an invention on behalf of a customer by an invention developer, including a patent search, preparation of a patent application, or any other act done by an invention developer for consideration toward the end of procuring or attempting to procure a license, buyer, or patent for an invention. "Customer" means any individual who has made an invention and who enters into a contract for invention development services with an invention developer with respect to the invention by which the inventor becomes obligated to pay the invention developer less than \$5,000 (not to include any additional sums which the invention developer is to receive as a result of successful development of the invention). "Contract for invention development services" means a contract for invention development services with an invention developer with respect to an invention made by a customer by which the inventor becomes obligated to pay the invention developer less than \$5,000 (not to include any additional sums which the invention developer is to receive as a result of successful development of the invention).

(18) In the absence of information sufficient to establish a reasonable belief that fraud or inequitable conduct has occurred, alleging before a tribunal that anyone has committed a fraud on the Office or engaged in inequitable conduct in a proceeding before the Office.

(d) A practitioner who acts with reckless indifference to whether a representation is true or false is chargeable with knowledge of its falsity. Deceitful statements of half-truths or concealment of material facts shall be deemed actual fraud within the meaning of this part.

§ 10.24 Disclosure of information to authorities.

(a) A practitioner possessing unprivileged knowledge of a violation of a Disciplinary Rule shall report such knowledge to the Director.

(b) A practitioner possessing unprivileged knowledge or evidence concerning another practitioner, employee of the Office, or a judge shall reveal fully such knowledge or evidence upon proper request of a tribunal or other authority empowered to investigate or act upon the conduct of practitioners, employees of the Office, or judges.

(OMB Control No. 0651-0017)

§§ 10.25-10.29 [reserved]

§ 10.30 Canon 2.

A practitioner should assist the legal profession in fulfilling its duty to make legal counsel available.

§ 10.31 Communications concerning a practitioner's services.

(a) No practitioner shall with respect to any prospective business before the Office, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any prospective applicant or other person having immediate or prospective business before the Office.

(b) A practitioner may not use the name of a Member of either House of Congress or of an individual in the service of the United States in advertising the practitioner's practice before the Office.

(c) Unless authorized under § 10.14(b), a non-lawyer practitioner shall not hold himself or herself out as authorized to practice before the Office in trademark cases.

(d) Unless a practitioner is an attorney, the practitioner shall not hold himself or herself out:

- (1) to be an attorney or lawyer or
- (2) as authorized to practice before the Office in non-patent and trademark cases.

§ 10.32 Advertising.

(a) Subject to § 10.31, a practitioner may advertise services through public media, including a telephone directory, legal directory, newspaper, or other periodical, radio, or television, or through written communications not involving solicitation as defined by § 10.33.

(b) A practitioner shall not give anything of value to a person for recommending the practitioner's services, except that a practitioner may pay the reasonable cost of advertising or written communication permitted by this section and may pay the usual charges of a not-for-profit lawyer referral service or other legal service organization.

(c) Any communication made pursuant to this section shall include the name of at least one practitioner responsible for its content.

§ 10.33 Direct contact with prospective clients.

A practitioner may not solicit professional employment from a prospective client with whom the practitioner has no family or prior professional relationship, by mail, in-person or otherwise, when a significant motive for the practitioner's doing so is the practitioner's pecuniary gain under circumstances evidencing undue influence, intimidation, or overreaching. The term "solicit" includes contact in person, by telephone or telegraph, by letter or other writing, or by other communication directed to a specific recipient, but does not include letters addressed or advertising circulars distributed generally to persons not specifically known to need legal services of the kind provided by the practitioner in a particular matter, but who are so situated that they might in general find such services useful.

§ 10.34 Communication of fields of practice.

A registered practitioner may state or imply that the practitioner is a specialist as follows:

(a) A registered practitioner who is an attorney may use the designation "Patents," "Patent Attorney," "Patent Lawyer," "Registered Patent Attorney," or a substantially similar designation.

(b) A registered practitioner who is not an attorney may use the designation "Patents," "Patent Agent," "Registered Patent Agent," or a substantially similar designation, except that any practitioner who was registered prior to November 15, 1938, may refer to himself or herself as a "patent attorney."

§ 10.35 Firm names and letterheads.

(a) A practitioner shall not use a firm name, letterhead, or other professional designation that violates § 10.31. A trade name may be used by a practitioner in private practice if it does not imply a current connection with a government agency or with a public or charitable legal services organization and is not otherwise in violation of § 10.31.

(b) Practitioners may state or imply that they practice in a partnership or other organization only when that is the fact.

§ 10.36 Fees for legal services.

(a) A practitioner shall not enter into an agreement for, charge, or collect an illegal or clearly excessive fee.

(b) A fee is clearly excessive when, after a review of the facts, a practitioner of ordinary prudence would be left with a definite and firm conviction that the fee is in excess of a reasonable fee. Factors to be considered as guides in determining the reasonableness of a fee include the following:

(1) The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly.

(2) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the practitioner.

- (3) The fee customarily charged for similar legal services.
- (4) The amount involved and the results obtained.
- (5) The time limitations imposed by the client or by the circumstances.
- (6) The nature and length of the professional relationship with the client.
- (7) The experience, reputation, and ability of the practitioner or practitioners performing the services.
- (8) Whether the fee is fixed or contingent.

§ 10.37 Division of fees among practitioners.

(a) A practitioner shall not divide a fee for legal services with another practitioner who is not a partner in or associate of the practitioner's law firm or law office, unless:

- (1) The client consents to employment of the other practitioner after a full disclosure that a division of fees will be made.
- (2) The division is made in proportion to the services performed and responsibility assumed by each.
- (3) The total fee of the practitioners does not clearly exceed reasonable compensation for all legal services rendered to the client.
- (b) This section does not prohibit payment to a former partner or associate pursuant to a separation or retirement agreement.

§ 10.38 Agreements restricting the practice of a practitioner.

(a) A practitioner shall not be a party to or participate in a partnership or employment agreement with another practitioner that restricts the right of a practitioner to practice before the Office after the termination of a relationship created by the agreement, except as a condition to payment of retirement benefits.

(b) In connection with the settlement of a controversy or suit, a practitioner shall not enter into an agreement that restricts the practitioner's right to practice before the Office.

§ 10.39 Acceptance of employment.

A practitioner shall not accept employment on behalf of a person if the practitioner knows or it is obvious that such person wishes to:

- (a) Bring a legal action, commence a proceeding before the Office, conduct a defense, assert a position in any proceeding pending before the Office, or otherwise have steps taken for the person, merely for the purpose of harassing or maliciously injuring any other person.
- (b) Present a claim or defense in litigation or any proceeding before the Office that is not warranted under existing law, unless it can be supported by good faith argument for an extension, modification, or reversal of existing law.

§ 10.40 Withdrawal from employment.

(a) A practitioner shall not withdraw from employment in a proceeding before the Office without permission from the Office (see §§ 1.36, and 2.19 of this Subchapter). In any event, a practitioner shall not withdraw from employment until the practitioner has taken reasonable steps to avoid foreseeable prejudice to the rights of the client, including giving due notice to his or her client, allowing time for employment of another practitioner, delivering to the client all papers and property to which the client is entitled, and complying with applicable laws and rules. A practitioner who withdraws from employment shall refund promptly any part of a fee paid in advance that has not been earned.

(b) Mandatory withdrawal. A practitioner representing a client before the Office shall withdraw from employment if:

- (1) the practitioner knows or it is obvious that the client is bringing a legal action, commencing a proceeding before the Office, conducting a defense, or asserting a position in litigation or any proceeding pending before the Office, or is otherwise having steps taken for the client, merely for the purpose of harassing or maliciously injuring any person;
- (2) the practitioner knows or it is obvious that the practitioner's continued employment will result in violation of a Disciplinary Rule;

(3) the practitioner's mental or physical condition renders it unreasonably difficult for the practitioner to carry out the employment effectively; or

(4) the practitioner is discharged by the client.

(c) Permissive withdrawal. If paragraph (b) of this section is not applicable, a practitioner may not request permission to withdraw in matters pending before the Office unless such request or such withdrawal is because:

- (i) the petitioner's client:
 - (i) insists upon presenting a claim or defense that is not warranted under existing law and cannot be supported by good faith argument for an extension, modification, or reversal of existing law;
 - (ii) personally seeks to pursue an illegal course of conduct;
 - (iii) insists that the practitioner pursue a course of conduct that is illegal or that is prohibited under a Disciplinary Rule;
 - (iv) by other conduct renders it unreasonably difficult for the practitioner to carry out the employment effectively;
 - (v) insists, in a matter not pending before a tribunal, that the practitioner engage in conduct that is contrary to the judgment and advice of the practitioner but not prohibited under the Disciplinary Rule; or
 - (vi) has failed to pay one or more bills rendered by the practitioner for an unreasonable period of time or has failed to honor an agreement to pay a retainer in advance of the performance of legal services.
- (2) the practitioner's continued employment is likely to result in a violation of a Disciplinary Rule;
- (3) the practitioner's inability to work with co-counsel indicates that the best interests of the client likely will be served by withdrawal;
- (4) the practitioner's mental or physical condition renders it difficult for the practitioner to carry out the employment effectively;
- (5) the practitioner's client knowingly and freely assents to termination of the employment; or
- (6) the practitioner believes in good faith, in a proceeding pending before the Office, that the Office will find the existence of other good cause for withdrawal.

(2) the practitioner's continued employment is likely to result in a violation of a Disciplinary Rule;

(3) the practitioner's inability to work with co-counsel indicates that the best interests of the client likely will be served by withdrawal;

(4) the practitioner's mental or physical condition renders it difficult for the practitioner to carry out the employment effectively;

(5) the practitioner's client knowingly and freely assents to termination of the employment; or

(6) the practitioner believes in good faith, in a proceeding pending before the Office, that the Office will find the existence of other good cause for withdrawal.

§§ 10.41-10.45 [reserved]

§ 10.46 Canon 3.

A practitioner should assist in preventing the unauthorized practice of law.

§ 10.47 Aiding unauthorized practice of law.

(a) A practitioner shall not aid a non-practitioner in the unauthorized practice of law before the Office.

(b) A practitioner shall not aid a suspended or excluded practitioner in the practice of law before the Office.

(c) A practitioner shall not aid a non-lawyer in the unauthorized practice of law.

§ 10.48 Sharing legal fees.

A practitioner or a firm of practitioners shall not share legal fees with a non-practitioner except that:

(a) An agreement by a practitioner with the practitioner's firm, partner, or associate may provide for the payment of money, over a reasonable period of time after the practitioner's death, to the practitioner's estate or to one or more specified persons.

(b) A practitioner who undertakes to complete unfinished legal business of a deceased practitioner may pay to the estate of the deceased practitioner that proportion of the total compensation which fairly represents the services rendered by the deceased practitioner.

(c) A practitioner or firm of practitioners may include non-practitioner employees in a compensation or retirement plan, even though the plan is based in whole or in part on a profit-sharing arrangement, providing such plan does not circumvent another Disciplinary Rule.

§ 10.49 Forming a partnership with a non-practitioner.

A practitioner shall not form a partnership with a non-practitioner if any of the activities of the partnership consist of the practice of patent, trademark, or other law before the Office.

§§ 10.50-10.55 [reserved]

§ 10.56 Canon 4.

A practitioner should preserve the confidences and secrets of a client.

§ 10.57 Preservation of confidences and secrets of a client.

(a) "Confidence" refers to information protected by the attorney-client or agent-client privilege under applicable law. "Secret" refers to other information gained in the professional relationship that the client has requested be held inviolate or the disclosure of which would be embarrassing or would be likely to be detrimental to the client.

(b) Except when permitted under paragraph (c) of this section, a practitioner shall not knowingly:

(1) Reveal a confidence or secret of a client.

(2) Use a confidence or secret of a client to the disadvantage of the client.

(3) Use a confidence or secret of a client for the advantage of the practitioner or of a third person, unless the client consents after full disclosure.

(c) A practitioner may reveal:

(1) Confidences or secrets with the consent of the client affected but only after a full disclosure to the client.

(2) Confidences or secrets when permitted under Disciplinary Rules or required by law or court order.

(3) The intention of a client to commit a crime and the information necessary to prevent the crime.

(4) Confidences or secrets necessary to establish or collect the practitioner's fee or to defend the practitioner or the practitioner's employees or associates against an accusation of wrongful conduct.

(d) A practitioner shall exercise reasonable care to prevent the practitioner's employees, associates, and others whose services are utilized by the practitioner from disclosing or using confidences or secrets of a client, except that a practitioner may reveal the information allowed by paragraph (c) of this section through an employee.

§§ 10.58-10.60 [reserved]

§ 10.61 Canon 5.

A practitioner should exercise independent professional judgment on behalf of a client.

§ 10.62 Refusing employment when the interest of the practitioner may impair the practitioner's independent professional judgment.

(a) Except with the consent of a client after full disclosure, a practitioner shall not accept employment if the exercise of the practitioner's professional judgment on behalf of the client will be or reasonably may be affected by the practitioner's own financial, business, property, or personal interests.

(b) A practitioner shall not accept employment in a proceeding before the Office if the practitioner knows or it is obvious that the practitioner or another practitioner in the practitioner's firm ought to sign an affidavit to be filed in the Office or be called as a witness, except that the practitioner may undertake the employment and the practitioner or another practitioner in the practitioner's firm may testify:

(1) If the testimony will relate solely to an uncontested matter.

(2) If the testimony will relate solely to a matter of formality and there is no reason to believe that substantial evidence will be offered in opposition to the testimony.

(3) If the testimony will relate solely to the nature and value of legal services rendered in the case by the practitioner or the practitioner's firm to the client.

(4) As to any matter, if refusal would work a substantial hardship on the client because of the distinctive value of the

practitioner or the practitioner's firm as counsel in the particular case.

§ 10.63 Withdrawal when the practitioner becomes a witness.

(a) If, after undertaking employment in a proceeding in the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm ought to sign an affidavit to be filed in the Office or be called as a witness on behalf of a practitioner's client, the practitioner shall withdraw from the conduct of the proceeding and the practitioner's firm, if any, shall not continue representation in the proceeding, except that the practitioner may continue the representation and the practitioner or another practitioner in the practitioner's firm may testify in the circumstances enumerated in paragraphs (1) through (4) of § 10.62(b).

(b) If, after undertaking employment in a proceeding before the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm may be asked to sign an affidavit to be filed in the Office or be called as a witness other than on behalf of the practitioner's client, the practitioner may continue the representation until it is apparent that the practitioner's affidavit or testimony is or may be prejudicial to the practitioner's client.

§ 10.64 Avoiding acquisition of interest in litigation or proceeding before the Office.

(a) A practitioner shall not acquire a proprietary interest in the subject matter of a proceeding before the Office which the practitioner is conducting for a client, except that the practitioner may:

(1) Acquire a lien granted by law to secure the practitioner's fee or expenses; or

(2) Contract with a client for a reasonable contingent fee; or

(3) In a patent case, take an interest in the patent as part or all of his or her fee.

(b) While representing a client in connection with a contemplated or pending proceeding before the Office, a practitioner shall not advance or guarantee financial assistance to a client, except that a practitioner may advance or guarantee the expenses of going forward in a proceeding before the Office including fees required by law to be paid to the Office, expenses of investigation, expenses of medical examination, and costs of obtaining and presenting evidence, provided the client remains ultimately liable for such expenses. A practitioner may, however, advance any fee required to prevent or remedy an abandonment of a client's application by reason of an act or omission attributable to the practitioner and not to the client, whether or not the client is ultimately liable for such fee.

§ 10.65 Limiting business relations with a client.

A practitioner shall not enter into a business transaction with a client if they have differing interests therein and if the client expects the practitioner to exercise professional judgment therein for the protection of the client, unless the client has consented after full disclosure.

§ 10.66 Refusing to accept or continue employment if the interests of another client may impair the independent professional judgment of the practitioner.

(a) A practitioner shall decline proffered employment if the exercise of the practitioner's independent professional judgment in behalf of a client will be or is likely to be adversely affected by the acceptance of the proffered employment, or if it would be likely to involve the practitioner in representing differing interests, except to the extent permitted under paragraph (c) of this section.

(b) A practitioner shall not continue multiple employment if the exercise of the practitioner's independent professional judgment in behalf of a client will be or is likely to be adversely affected by the practitioner's representation of another client, or if it would be likely to involve the practitioner in representing differing interests, except to the extent permitted under paragraph (c) of this section.

(c) In the situations covered by paragraphs (a) and (b) of this section a practitioner may represent multiple clients if it is obvious that the practitioner can adequately represent the interest of each and if each consents to the representation after full disclosure of the possible effect of such representation on the exercise of the practitioner's independent professional judgment on behalf of each.

(d) If a practitioner is required to decline employment or to withdraw from employment under a Disciplinary Rule, no partner, or associate, or any other practitioner affiliated with the practitioner or the practitioner's firm, may accept or continue such employment unless otherwise ordered by the Director or Commissioner.

§ 10.67 Settling similar claims of clients.

A practitioner who represents two or more clients shall not make or participate in the making of an aggregate settlement of the claims of or against the practitioner's clients, unless each client has consented to the settlement after being advised of the existence and nature of all the claims involved in the proposed settlement, of the total amount of the settlement, and of the participation of each person in the settlement.

§ 10.68 Avoiding influence by others than the client.

(a) Except with the consent of the practitioner's client after full disclosure, a practitioner shall not:

(1) Accept compensation from one other than the practitioner's client for the practitioner's legal services to or for the client.

(2) Accept from one other than the practitioner's client any thing of value related to the practitioner's representation of or the practitioner's employment by the client.

(b) A practitioner shall not permit a person who recommends, employs, or pays the practitioner to render legal services for another, to direct or regulate the practitioner's professional judgment in rendering such legal services.

(c) A practitioner shall not practice with or in the form of a professional corporation or association authorized to practice law for a profit, if a non-practitioner has the right to direct or control the professional judgment of a practitioner.

§§ 10.69-10.75 [reserved]

§ 10.76 Canon 6.

A practitioner should represent a client competently.

§ 10.77 Failing to act competently.

A practitioner shall not:

(a) Handle a legal matter which the practitioner knows or should know that the practitioner is not competent to handle, without associating with the practitioner another practitioner who is competent to handle it.

(b) Handle a legal matter without preparation adequate in the circumstances.

(c) Neglect a legal matter entrusted to the practitioner.

§ 10.78 Limiting liability to client.

A practitioner shall not attempt to exonerate himself or herself from, or limit his or her liability to, a client for his or her personal malpractice.

§§ 10.79-10.82 [reserved]

§ 10.83 Canon 7.

A practitioner should represent a client zealously within the bounds of the law.

§ 10.84 Representing a client zealously.

(a) A practitioner shall not intentionally:

(1) Fail to seek the lawful objectives of a client through reasonably available means permitted by law and the Disciplinary Rules, except as provided by paragraph (b) of this section. A practitioner does not violate the provisions of this section, however, by acceding to reasonable requests of opposing counsel which do not prejudice the rights of the client, by being punctual in fulfilling all professional commitments, by avoiding offensive tactics, or by treating with courtesy and consideration all persons involved in the legal process.

(2) Fail to carry out a contract of employment entered into with a client for professional services, but a practitioner may withdraw as permitted under §§ 10.40, 10.63, and 10.66.

(3) Prejudice or damage a client during the course of a professional relationship, except as required under this part.

(b) In representation of a client, a practitioner may:

(1) Where permissible, exercise professional judgment to waive or fail to assert a right or position of the client.

(2) Refuse to aid or participate in conduct that the practitioner believes to be unlawful, even though there is some support for an argument that the conduct is legal.

§ 10.85 Representing a client within the bounds of the law.

(a) In representation of a client, a practitioner shall not:

(1) Initiate or defend any proceeding before the Office, assert a position, conduct a defense, delay a trial or proceeding before the Office, or take other action on behalf of the practitioner's client when the practitioner knows or when it is obvious that such action would serve merely to harass or maliciously injure another.

(2) Knowingly advance a claim or defense that is unwarranted under existing law, except that a practitioner may advance such claim or defense if it can be supported by good faith argument for an extension, modification, or reversal of existing law.

(3) Conceal or knowingly fail to disclose that which the practitioner is required by law to reveal.

(4) Knowingly use perjured testimony or false evidence.

(5) Knowingly make a false statement of law or fact.

(6) Participate in the creation or preservation of evidence when the practitioner knows or it is obvious that the evidence is false.

(7) Counsel or assist a client in conduct that the practitioner knows to be illegal or fraudulent.

(8) Knowingly engage in other illegal conduct or conduct contrary to a Disciplinary Rule.

(b) A practitioner who receives information clearly establishing that:

(1) A client has, in the course of the representation, perpetrated a fraud upon a person or tribunal shall promptly call upon the client to rectify the same, and if the client refuses or is unable to do so the practitioner shall reveal the fraud to the affected person or tribunal.

(2) A person other than a client has perpetrated a fraud upon a tribunal shall promptly reveal the fraud to the tribunal.

§ 10.86 [reserved]

§ 10.87 Communicating with one of adverse interest.

During the course of representation of a client, a practitioner shall not:

(a) Communicate or cause another to communicate on the subject of the representation with a party the practitioner knows to be represented by another practitioner in that matter unless the practitioner has the prior consent of the other practitioner representing such other party or is authorized by law to do so. It is not improper, however, for a practitioner to encourage a client to meet with an opposing party for settlement discussions.

(b) Give advice to a person who is not represented by a practitioner other than the advice to secure counsel, if the interests of such person are or have a reasonable possibility of being in conflict with the interests of the practitioner's client.

§ 10.88 Threatening criminal prosecution.

A practitioner shall not present, participate in presenting, or threaten to present criminal charges solely to obtain an advantage in any prospective or pending proceeding before the Office.

§ 10.89 Conduct in proceedings.

(a) A practitioner shall not disregard or advise a client to disregard any provision of this Subchapter or a decision of the Office made in the course of a proceeding before the Office, but the practitioner may take appropriate steps in good faith to test the validity of such provision or decision.

(b) In presenting a matter to the Office, a practitioner shall disclose:

(1) Controlling legal authority known to the practitioner to be directly adverse to the position of the client and which is not disclosed by opposing counsel or an employee of the Office.

(2) Unless privileged or irrelevant, the identities of the client the practitioner represents and of the persons who employed the practitioner.

(c) In appearing in a professional capacity before a tribunal, a practitioner shall not:

(1) State or allude to any matter that the practitioner has no reasonable basis to believe is relevant to the case or that will not be supported by admissible evidence.

(2) Ask any question that the practitioner has no reasonable basis to believe is relevant to the case and that is intended to degrade a witness or other person.

(3) Assert the practitioner's personal knowledge of the facts in issue, except when testifying as a witness.

(4) Assert the practitioner's personal opinion as to the justness of a cause, as to the credibility of a witness, as to the culpability of a civil litigant, or as to the guilt or innocence of an accused; but the practitioner may argue, on the practitioner's analysis of the evidence, for any position or conclusion with respect to the matters stated herein.

(5) Engage in undignified or discourteous conduct before the Office (see § 1.3 of the Subchapter).

(6) Intentionally or habitually violate any provision of this Subchapter or established rule of evidence.

§ 10.90-10.91 [reserved]**§ 10.92 Contact with witnesses.**

(a) A practitioner shall not suppress any evidence that the practitioner or the practitioner's client has a legal obligation to reveal or produce.

(b) A practitioner shall not advise or cause a person to be sequestered or to leave the jurisdiction of a tribunal for the purpose of making the person unavailable as a witness therein.

(c) A practitioner shall not pay, offer to pay, or acquiesce in the payment of compensation to a witness contingent upon the content of the witness' affidavit, testimony or the outcome of the case. But a practitioner may advance, guarantee, or acquiesce in the payment of:

(1) Expenses reasonably incurred by a witness in attending, testifying, or making an affidavit.

(2) Reasonable compensation to a witness for the witness' loss of time in attending, testifying, or making an affidavit.

(3) A reasonable fee for the professional services of an expert witness.

§ 10.93 Contact with officials.

(a) A practitioner shall not give or lend anything of value to a judge, official, or employee of a tribunal under circumstances which might give the appearance that the gift or loan is made to influence official action.

(b) In an adversary proceeding, including any *inter partes* proceeding before the Office, a practitioner shall not communicate, or cause another to communicate, as to the merits of the cause with a judge, official, or Office employee before whom the proceeding is pending, except:

(1) In the course of official proceedings in the cause.

(2) In writing if the practitioner promptly delivers a copy of the writing to opposing counsel or to the adverse party if the adverse party is not represented by a practitioner.

(3) Orally upon adequate notice to opposing counsel or to the adverse party if the adverse party is not represented by a practitioner.

(4) As otherwise authorized by law.

§§ 10.94-10.99 [reserved]**§ 10.100 Canon 8.**

A practitioner should assist in improving the legal system.

§ 10.101 Action as a public official.

(a) A practitioner who holds public office shall not:

(1) Use the practitioner's public position to obtain, or attempt to obtain, a special advantage in legislative matters for the practitioner or for a client under circumstances where the practitioner knows or it is obvious that such action is not in the public interest.

(2) Use the practitioner's public position to influence, or attempt to influence, a tribunal to act in favor of the practitioner or of a client.

(3) Accept any thing of value from any person when the practitioner knows or it is obvious that the offer is for the purpose of influencing the practitioner's action as a public official.

(b) A practitioner who is an officer or employee of the United States shall not practice before the Office in patent cases except as provided in § 10.6(d).

§ 10.102 Statements concerning officials.

(a) A practitioner shall not knowingly make false statements of fact concerning the qualifications of a candidate for election or appointment to a judicial office or to a position in the Office.

(b) A practitioner shall not knowingly make false accusations against a judge, other adjudicatory officer, or employee of the Office.

§ 10.103 Practitioner candidate for judicial office.

A practitioner who is a candidate for judicial office shall comply with applicable provisions of law.

§ 10.104-10.109 [reserved]**§ 10.110 Canon 9.**

A practitioner should avoid even the appearance of professional impropriety.

§ 10.111 Avoiding even the appearance of impropriety.

(a) A practitioner shall not accept private employment in a matter upon the merits of which he or she has acted in a judicial capacity.

(b) A practitioner shall not accept private employment in a matter in which he or she had personal responsibility while a public employee.

(c) A practitioner shall not state or imply that the practitioner is able to influence improperly or upon irrelevant grounds any tribunal, legislative body, or public official.

§ 10.112 Preserving identity of funds and property of client.

(a) All funds of clients paid to a practitioner or a practitioner's firm, other than advances for costs and expenses, shall be deposited in one or more identifiable bank accounts maintained in the United States or, in the case of a practitioner having an office in a foreign country or registered under § 10.6(c), in the United States or the foreign country.

(b) No funds belonging to the practitioner or the practitioner's firm shall be deposited in the bank accounts required by paragraph (a) of this section except as follows:

(1) Funds reasonably sufficient to pay bank charges may be deposited therein.

(2) Funds belonging in part to a client and in part presently or potentially to the practitioner or the practitioner's firm must be deposited therein, but the portion belonging to the practitioner or the practitioner's firm may be withdrawn when due unless the right of the practitioner or the practitioner's firm to receive it is disputed by the client, in which event the disputed portion shall not be withdrawn until the dispute is finally resolved.

(c) A practitioner shall:

(1) Promptly notify a client of the receipt of the client's funds, securities, or other properties.

(2) Identify and label securities and properties of a client promptly upon receipt and place them in a safe deposit box or other place of safekeeping as soon as practicable.

(3) Maintain complete records of all funds, securities, and other properties of a client coming into the possession of the practitioner and render appropriate accounts to the client regarding the funds, securities, or other properties.

(4) Promptly pay or deliver to the client as requested by a client the funds, securities, or other properties in the possession of the practitioner which the client is entitled to receive.

(OMB Control No. 0651-0017)

§ 10.113-10.129 [reserved]

Investigations and Disciplinary Proceedings

§ 10.130 Reprimand, suspension or exclusion.

(a) The Commissioner may, after notice and opportunity for a hearing, (a) reprimand or (b) suspend or exclude, either generally or in any particular case, any individual, attorney, or agent shown to be incompetent or disreputable, who is guilty of gross misconduct, or who violates a Disciplinary Rule.

(b) Petitions to disqualify a practitioner in *ex parte* or *inter partes* cases in the Office are not governed by §§ 10.130 through 10.170 and will be handled on a case-by-case basis under such conditions as the Commissioner deems appropriate.

§ 10.131 Investigations.

(a) The Director is authorized to investigate possible violations of Disciplinary Rules by practitioners. See § 10.2(b) (2).

(b) Practitioners shall report and reveal to the Director any knowledge or evidence required by § 10.24. A practitioner shall cooperate with the Director in connection with any investigation under paragraph (a) of this section and with officials of the Office in connection with any disciplinary proceeding instituted under § 10.132(b).

(c) Any non-practitioner possessing knowledge or information concerning a violation of a Disciplinary Rule by a practitioner may report the violation to the Director. The Director may require that the report be presented in the form of an affidavit.

§ 10.132 Initiating a disciplinary proceeding; reference to an administrative law judge.

(a) If after conducting an investigation under § 10.131(a) the Director is of the opinion that a practitioner has violated a Disciplinary Rule, the Director shall after complying where necessary with the provisions of 5 U.S.C. 558(c), call a meeting of the Committee on Discipline. The Committee on Discipline shall then determine as specified in § 10.4(b) whether a disciplinary proceeding shall be instituted under paragraph (b) of this section.

(b) If the Committee on Discipline determines that probable cause exists to believe that a practitioner has violated a Disciplinary Rule, the Director shall institute a disciplinary proceeding by filing a complaint under § 10.134. The complaint shall be filed in the Office of the Director. A disciplinary proceeding may result in:

- (1) a reprimand or
- (2) suspension or exclusion of a practitioner from practice before the Office.

(c) Upon the filing of a complaint under § 10.134, the Commissioner will refer the disciplinary proceeding to an administrative law judge.

§ 10.133 Conference between Director and practitioner; resignation.

(a) *General.* The Director may confer with a practitioner concerning possible violations by the practitioner of a Disciplinary Rule whether or not a disciplinary proceeding has been instituted.

(b) *Resignation.* Any practitioner who is the subject of an investigation under § 10.131 or against whom a complaint has been filed under § 10.134 may resign from practice before the Office only by submitting with the Director an affidavit stating his or her desire to resign.

(c) If filed prior to the date set by the administrative law judge for a hearing, the affidavit shall state that:

- (1) the resignation is freely and voluntarily proffered;
- (2) the practitioner is not acting under duress or coercion from the Office;

(3) the practitioner is fully aware of the implications of filing the resignation;

(4) the practitioner is aware (i) of a pending investigation or (ii) of charges arising from the complaint alleging that he or she is guilty of a violation of the Patent and Trademark Office Code of Professional Responsibility, the nature of which shall be set forth by the practitioner to the satisfaction of the Director;

(5) the practitioner acknowledges that, if and when he or she applies for reinstatement under § 10.160, the Director will conclusively presume, for the limited purpose of determining the application for reinstatement, that:

(i) the facts upon which the complaint is based are true and

(ii) the practitioner could not have successfully defended himself or herself against (A) charges predicated on the violation under investigation or (B) charges set out in the complaint filed against the practitioner.

(d) If filed on or after the date set by the administrative law judge for a hearing, the affidavit shall make the statements required by subparagraphs (1) through (4) of paragraph (b) of this section and shall state that:

(1) the practitioner acknowledges the facts upon which the complaint is based are true; and

(2) the resignation is being submitted because the practitioner could not successfully defend himself or herself against (i) charges predicated on the violation under investigation or (ii) charges set out in the complaint.

(e) When an affidavit under paragraph (b) or (c) of this section is received while an investigation is pending, the Commissioner shall enter an order excluding the practitioner "on consent." When an affidavit under paragraphs (b) or (c) of this section is received after a complaint under § 10.134 has been filed, the Director shall notify the administrative law judge. The administrative law judge shall enter an order transferring the disciplinary proceeding to the Commissioner and the Commissioner shall enter an order excluding the practitioner "on consent."

(f) Any practitioner who resigns from practice before the Office under this section and who intends to reapply for admission to practice before the Office must comply with the provisions of § 10.158.

(g) *Settlement.* Before or after a complaint is filed under § 10.134, a settlement conference may occur between the Director and a practitioner for the purpose of settling any disciplinary matter. If an offer of settlement is made by the Director or the practitioner and is not accepted by the other, no reference to the offer of settlement or its refusal shall be admissible in evidence in the disciplinary proceeding unless both the Director and the practitioner agree in writing.

§ 10.134 Complaint.

(a) A complaint instituting a disciplinary proceeding shall:

(1) Name the practitioner, who may then be referred to as the "respondent."

(2) Give a plain and concise description of the alleged violations of the Disciplinary Rules by the practitioner.

(3) State the place and time for filing an answer by the respondent.

(4) State that a decision by default may be entered against the respondent if an answer is not timely filed.

(5) Be signed by the Director.

(b) A complaint will be deemed sufficient if it fairly informs the respondent of any violation of the Disciplinary Rules which form the basis for the disciplinary proceeding so that the respondent is able to adequately prepare a defense.

§ 10.135 Service of complaint.

(a) A complaint may be served on a respondent in any of the following methods:

(1) By handing a copy of the complaint personally to the respondent, in which case the individual handing the complaint to the respondent shall file an affidavit with the Director indicating the time and place the complaint was handed to the respondent.

(2) By mailing a copy of the complaint by "Express Mail" or first-class mail to:

(i) a registered practitioner at the address for which separate notice was last received by the Director or

(ii) a non-registered practitioner at the last address for the respondent known to the Director.

(3) By any method mutually agreeable to the Director and the respondent.

(b) If a complaint served by mail under paragraph (a) (2) of this section is returned by the U.S. Postal Service, the Director shall mail a second copy of the complaint to the respondent. If the second copy of the complaint is also returned by the U.S. Postal Service, the Director shall serve the respondent by publishing an appropriate notice in the *Official Gazette* for four consecutive weeks, in which case the time for answer shall be at least thirty days from the fourth publication of the notice.

(c) If a respondent is a registered practitioner, the Director may serve simultaneously with the complaint a letter under § 10.11(b). The Director may require the respondent to answer the § 10.11(b) letter within a period of not less than 15 days. An answer to the § 10.11(b) letter shall constitute proof of service. If the respondent fails to answer the § 10.11(b) letter, his or her name will be removed from the register as provided by § 10.11(b).

(d) If the respondent is represented by an attorney under § 10.140(a), a copy of the complaint shall also be served on the attorney.

§ 10.136 Answer to complaint.

(a) *Time for answer.* An answer to a complaint shall be filed within a time set in the complaint which shall be not less than thirty days.

(b) *With whom filed.* The answer shall be filed in writing with the administrative law judge. The time for filing an answer may be extended once for a period of no more than thirty days by the administrative law judge upon a showing of good cause provided a motion requesting an extension of time is filed within thirty days after the date the complaint is filed by the Director. A copy of the answer shall be served on the Director.

(c) *Content.* The respondent shall include in the answer a statement of the facts which constitute the grounds of defense and shall specifically admit or deny each allegation set forth in the complaint. The respondent shall not deny a material allegation in the complaint which the respondent knows to be true or state that respondent is without sufficient information to form a belief as to the truth of an allegation when in fact the respondent possesses that information. The respondent shall also state affirmatively special matters of defense.

(d) *Failure to deny allegations in complaint.* Every allegation in the complaint which is not denied by a respondent in the answer is deemed to be admitted and may be considered proven.

No further evidence in respect of that allegation need be received by the administrative law judge at any hearing. Failure to timely file an answer will constitute an admission of the allegations in the complaint.

(e) *Reply by Director.* No reply to an answer is required by the Director and any affirmative defense in the answer shall be deemed to be denied. The Director may, however, file a reply if he or she chooses or if ordered by the administrative law judge.

§ 10.137 Supplemental complaint.

False statements in an answer may be made the basis of a supplemental complaint.

§ 10.138 Contested case.

Upon the filing of an answer by the respondent, a disciplinary proceeding shall be regarded as a contested case within the meaning of 35 U.S.C. 24. Evidence obtained by a subpoena issued under 35 U.S.C. 24 shall not be admitted to the record or considered unless leave to proceed under 35 U.S.C. 24 was previously authorized by the administrative law judge.

§ 10.139 Administrative law judge; appointment; responsibilities; review of interlocutory orders; stays.

(a) *Appointment.* An administrative law judge, appointed under 5 U.S.C. 3105, shall conduct disciplinary proceedings as provided by this part.

(b) *Responsibilities.* The administrative law judge shall have authority to:

- (1) Administer oaths and affirmations;
- (2) Make rulings upon motions and other requests;
- (3) Rule upon offers of proof, receive relevant evidence, and examine witnesses;
- (4) Authorize the taking of a deposition of a witness in lieu of personal appearance of the witness before the administrative law judge;
- (5) Determine the time and place of any hearing and regulate its course and conduct;
- (6) Hold or provide for the holding of conferences to settle or simplify the issues;
- (7) Receive and consider oral or written arguments on facts or law;
- (8) Adopt procedures and modify procedures from time to time as occasion requires for the orderly disposition of proceedings;
- (9) Make initial decisions under § 10.154; and
- (10) Perform acts and take measures as necessary to promote the efficient and timely conduct of any disciplinary proceeding.

(c) *Time for making initial decision.* The administrative law judge shall set times and exercise control over a disciplinary proceeding such that an initial decision under § 10.154 is normally issued within six months of the date a complaint is filed. The administrative law judge may, however, issue an initial decision more than six months after a complaint is filed if in his or her opinion there exist unusual circumstances which preclude issuance of an initial decision within six months of the filing of the complaint.

(d) *Review of interlocutory orders.* An interlocutory order of an administrative law judge will not be reviewed by the Commissioner except:

- (1) when the administrative law judge shall be of the opinion (i) that the interlocutory order involves a controlling question of procedure or law as to which there is a substantial ground for a difference of opinion and (ii) that an immediate decision by the Commissioner may materially advance the ultimate termination of the disciplinary proceeding or
- (2) in an extraordinary situation where justice requires review.

(e) *Stays pending review of interlocutory order.* If the Director or a respondent seeks review of an interlocutory order of an administrative law judge under paragraph (b)(2) of this section, any time period set for taking action by the adminis-

trative law judge shall not be stayed unless ordered by the Commissioner or the administrative law judge.

§ 10.140 Representative for Director or respondent.

(a) A respondent may be represented before the Office in connection with an investigation or disciplinary proceeding by an attorney. The attorney shall file a written declaration that he or she is an attorney within the meaning of § 10.1(c) and shall state:

- (1) the address to which the attorney wants correspondence related to the investigation or disciplinary proceeding sent and
- (2) a telephone number where the attorney may be reached during normal business hours.

(b) The Commissioner shall designate at least two associate solicitors in the Office of the Solicitor to act as representatives for the Director in disciplinary proceedings. In prosecuting disciplinary proceedings, the designated associate solicitors shall not involve the Solicitor or the Deputy Solicitor. The Solicitor and the Deputy Solicitor shall remain insulated from the investigation and prosecution of all disciplinary proceedings in order that they shall be available as counsel to the Commissioner in deciding disciplinary proceedings.

§ 10.141 Filing of papers.

(a) The provisions of § 1.8 of this Subchapter do not apply to disciplinary proceedings.

(b) All papers filed after the complaint and prior to entry of an initial decision by the administrative law judge shall be filed with the administrative law judge at an address or place designated by the administrative law judge. All papers filed after entry of an initial decision by the administrative law judge shall be filed with the Director. The Director shall promptly forward to the Commissioner any paper which requires action under this part by the Commissioner.

(c) The administrative law judge or the Director may provide for filing papers and other matter by hand or by "Express Mail."

§ 10.142 Service of papers.

(a) All papers other than a complaint shall be served on a respondent represented by an attorney by:

- (1) delivering a copy of the paper to the office of the attorney; or
- (2) mailing a copy of the paper by first-class mail or "Express Mail" to the attorney at the address provided by the attorney under § 10.140(a) (1); or
- (3) any other method mutually agreeable to the attorney and a representative for the Director.

(b) All papers other than a complaint shall be served on a respondent who is not represented by an attorney by:

- (1) delivering a copy of the paper to the respondent; or
- (2) mailing a copy of the paper by first-class mail or "Express Mail" to the respondent at the address to which a complaint may be served or such other address as may be designated in writing by the respondent; or
- (3) any other method mutually agreeable to the respondent and a representative of the Director.

(c) A respondent shall serve on the representative for the Director one copy of each paper filed with the administrative law judge or the Director. A paper may be served on the representative for the Director by:

- (1) delivering a copy of the paper to the representative;
or
- (2) mailing a copy of the paper by first-class mail or "Express Mail" to an address designated in writing by the representative; or
- (3) any other method mutually agreeable to the respondent and the representative.

(d) Each paper filed in a disciplinary proceeding shall contain therein a certificate of service indicating:

- (1) the date on which service was made and
 - (2) the method by which service was made.
- (e) The administrative law judge or the Commissioner may require that a paper be served by hand or by "Express Mail."
- (f) Service by mail is completed when the paper mailed in the United States is placed into the custody of the U.S. Postal Service.

§ 10.143 Motions.

Motions may be filed with the administrative law judge. The administrative law judge will determine on a case-by-case basis the time period for response to a motion and whether replies to responses will be authorized. No motion shall be filed with the administrative law judge unless such motion is supported by a written statement by the moving party that the moving party or attorney for the moving party has conferred with the opposing party or attorney for the opposing party in an effort in good faith to resolve by agreement the issues raised by the motion and has been unable to reach agreement. If issues raised by a motion are resolved by the parties prior to a decision on the motion by the administrative law judge, the parties shall promptly notify the administrative law judge.

§ 10.144 Hearings.

(a) The administrative law judge shall preside at hearings in disciplinary proceedings. Hearings will be stenographically recorded and transcribed and the testimony of witnesses will be received under oath or affirmation. The administrative law judge shall conduct hearings in accordance with 5 U.S.C. 556. A copy of the transcript of the hearing shall become part of the record. A copy of the transcript shall be provided to the Director and the respondent at the expense of the Office.

(b) If the respondent to a disciplinary proceeding fails to appear at the hearing after a notice of hearing has been given by the administrative law judge, the administrative law judge may deem the respondent to have waived the right to a hearing and may proceed with the hearing in the absence of the respondent.

(c) A hearing under this section will not be open to the public except that the Director may grant a request by a respondent to open his or her hearing to the public and make the record of the disciplinary proceeding available for public inspection, *provided* agreement is reached in advance to exclude from public disclosure information which is privileged or confidential under applicable laws or regulations. If a disciplinary proceeding results in disciplinary action against a practitioner, and subject to § 10.159(c), the record of the entire disciplinary proceeding, including any settlement agreement, will be available for public inspection.

§ 10.145 Proof; variance; amendment of pleadings.

In case of a variance between the evidence and the allegations in a complaint, answer, or reply, if any, the administrative law judge may order or authorize amendment of the complaint, answer, or reply to conform to the evidence. Any party who would otherwise be prejudiced by the amendment will be given reasonable opportunity to meet the allegations in the complaint, answer, or reply, as amended, and the administrative law judge shall make findings on any issue presented by the complaint, answer, or reply as amended.

§§ 10.146-10.148 [reserved]

§ 10.149 Burden of proof.

In a disciplinary proceeding, the Director shall have the burden of proving his or her case by clear and convincing evidence and a respondent shall have the burden of providing any affirmative defense by clear and convincing evidence.

§ 10.150 Evidence.

(a) *Rules of evidence.* The rules of evidence prevailing in courts of law and equity are not controlling in hearings in disciplinary proceedings. However, the administrative law judge shall exclude evidence which is irrelevant, immaterial, or unduly repetitious.

(b) *Depositions.* Depositions of witnesses taken pursuant to § 10.151 may be admitted as evidence.

(c) *Government documents.* Official documents, records, and papers of the Office are admissible without extrinsic evidence of authenticity. These documents, records and papers may be evidenced by a copy certified as correct by an employee of the Office.

(d) *Exhibits.* If any document, record, or other paper is introduced in evidence as an exhibit, the administrative law judge may authorize the withdrawal of the exhibit subject to any conditions the administrative law judge deems appropriate.

(e) *Objections.* Objections to evidence will be in short form, stating the grounds of objection. Objections and rulings on objections will be a part of the record. No exception to the ruling is necessary to preserve the rights of the parties.

§ 10.151 Depositions.

(a) Depositions for use at the hearing in lieu of personal appearance of a witness before the administrative law judge may be taken by respondent or the Director upon a showing of good cause and with the approval of, and under such conditions as may be deemed appropriate by, the administrative law judge. Depositions may be taken upon oral or written questions, upon not less than ten days written notice to the other party, before any officer authorized to administer an oath or affirmation in the place where the deposition is to be taken. The requirement of ten days notice may be waived by the parties and depositions may then be taken of a witness and at a time and place mutually agreed to by the parties. When a deposition is taken upon written questions, copies of the written questions will be served upon the other party with the notice and copies of any written cross-questions will be served by hand or "Express Mail" not less than five days before the date of the taking of the deposition unless the parties mutually agree otherwise. A party on whose behalf a deposition is taken shall file a copy of a transcript of the deposition signed by a court reporter with the administrative law judge and shall serve one copy upon the opposing party. Expenses for a court reporter and preparing, serving, and filing depositions shall be borne by the party at whose instance the deposition is taken.

(b) When the Director and the respondent agree in writing, a deposition of any witness who will appear voluntarily may be taken under such terms and conditions as may be mutually agreeable to the Director and the respondent. The deposition shall not be filed with the administrative law judge and may not be admitted in evidence before the administrative law judge unless he or she orders the deposition admitted in evidence. The admissibility of the deposition shall lie within the discretion of the administrative law judge who may reject the deposition on any reasonable basis including the fact that demeanor is involved and that the witness should have been called to appear personally before the administrative law judge.

§ 10.152 Discovery.

Discovery shall not be authorized except as follows:

(a) After an answer is filed under § 10.136 and when a party establishes in a clear and convincing manner that discovery is necessary and relevant, the administrative law judge, under such conditions as he or she deems appropriate, may order an opposing party to:

- (1) answer a reasonable number of written requests for admission or interrogatories;
- (2) produce for inspection and copying a reasonable number of documents; and
- (3) produce for inspection a reasonable number of things other than documents.

(b) Discovery shall not be authorized under paragraph (a) of this section of any matter which:

- (1) will be used by another party solely for impeachment or cross-examination;
- (2) is not available to the party under 35 U.S.C. § 122;
- (3) relates to any disciplinary proceeding commenced in the Patent and Trademark Office prior to Mar. 8, 1985;
- (4) relates to experts except as the administrative law judge may require under paragraph (e) of this section.

(5) is privileged; or

(6) relates to mental impressions, conclusions, opinions, or legal theories of any attorney or other representative of a party.

(c) the administrative law judge may deny discovery requested under paragraph (a) of this section if the discovery sought:

- (1) will unduly delay the disciplinary proceeding;
- (2) will place an undue burden on the party required to produce the discovery sought; or
- (3) is available (i) generally to the public, (ii) equally to the parties; or (iii) to the party seeking the discovery through another source.

(d) Prior to authorizing discovery under paragraph (a) of this section, the administrative law judge shall require the party seeking discovery to file a motion (§ 10.143) and explain in detail for each request made how the discovery sought is necessary and relevant to an issue actually raised in the complaint or the answer.

(e) The administrative law judge may require parties to file and serve, prior to any hearing, a pre-hearing statement which contains

- (1) A list (together with a copy) of all proposed exhibits to be used in connection with a party's case-in-chief,
- (2) a list of proposed witnesses,
- (3) as to each proposed expert witness:

- (i) an identification of the field in which the individual will be qualified as an expert;
- (ii) a statement as to the subject matter on which the expert is expected to testify; and
- (iii) a statement of the substance of the facts and opinions to which the expert is expected to testify,

(4) the identity of government employees who have investigated the case, and

(5) copies of memoranda reflecting respondent's own statements to administrative representatives.

(f) After a witness testifies for a party, if the opposing party requests, the party may be required to produce, prior to cross-examination, any written statement made by the witness.

§ 10.153 Proposed findings and conclusions; post-hearing memorandum.

Except in cases when the respondent has failed to answer the complaint, the administrative law judge, prior to making an initial decision, shall afford the parties a reasonable opportunity to submit proposed findings and conclusions and a post-hearing memorandum in support of the proposed findings and conclusions.

§ 10.154 Initial decision of administrative law judge.

(a) The administrative law judge shall make an initial decision in the case. The decision will include (a) a statement of findings and conclusions, as well as the reasons or basis therefore with appropriate references to the record, upon all the material issues of fact, law, or discretion presented on the record, and (b) an order of suspension or exclusion from practice, an order of reprimand, or an order dismissing the complaint. The administrative law judge shall file the decision with the Director and shall transmit a copy to the representative of the Director and to the respondent. In the absence of an appeal to the Commissioner, the decision of the administrative law judge will, without further proceedings, become the decision of the Commissioner of Patents and Trademarks thirty (30) days from the date of the decision of the administrative law judge.

(b) The initial decision of the administrative law judge shall explain the reason for any penalty of reprimand, suspension or exclusion. In determining any penalty, the following should normally be considered:

- (1) the public interest;
- (2) the seriousness of the violation of the Disciplinary Rule;
- (3) the deterrent effects deemed necessary; and

- (4) the integrity of the legal profession; and
- (5) any extenuating circumstances.

§ 10.155 Appeal to the Commissioner.

(a) Within thirty (30) days from the date of the initial decision of the administrative law judge under § 10.154, either party may appeal to the Commissioner. An appeal by the respondent will be filed with the Director in duplicate and will include exceptions to the decisions of the administrative law judge and supporting reasons for those exceptions. If the Director files the appeal, the Director shall serve a copy of the appeal. Within thirty (30) days after receipt of an appeal or copy thereof, the other party may file a reply brief in duplicate with the Director. If the Director files the reply brief, the Director shall serve a copy of the reply brief. Upon the filing of an appeal and a reply brief, if any, the Director shall transmit the entire record to the Commissioner.

(b) The appeal will be decided by the Commissioner on the record made before the administrative law judge.

(c) The Commissioner may order reopening of a disciplinary proceeding in accordance with the principles which govern the granting of new trials. Any request to reopen a disciplinary proceeding on the basis of newly discovered evidence must demonstrate that the newly discovered evidence could not have been discovered by due diligence.

§ 10.156 Decision of the Commissioner.

(a) An appeal from an initial decision of the administrative law judge shall be decided by the Commissioner. The Commissioner may affirm, reverse, or modify the initial decision or remand the matter to the administrative law judge for such further proceedings as the Commissioner may deem appropriate. Entry of a decision by the Commissioner is a final agency action in a disciplinary proceeding. In making a final decision, the Commissioner shall review the record or those portions of the record as may be cited by the parties in order to limit the issues. The Commissioner shall transmit a copy of the final decision to the Director and to the respondent.

(b) A final decision of the Commissioner may dismiss a disciplinary proceeding, reprimand a practitioner, or may suspend or exclude the practitioner from practice before the Office.

§ 10.157 Review of Commissioner's final decision.

(a) Review of the Commissioner's final decision in a disciplinary case may be had by a petition filed in the United States District Court for the District of Columbia. See 35 U.S.C. 32 and Local Rule 1-26 of the United States District Court for the District of Columbia.

(b) The Commissioner may stay a final decision pending review of the Commissioner's final decision.

§ 10.158 Suspended or excluded practitioner.

(a) A practitioner who is suspended or excluded from practice before the Office under § 10.156(b) shall not engage in unauthorized practice of patent, trademark and other non-patent law before the Office.

(b) Unless otherwise ordered by the Commissioner, any practitioner who is suspended or excluded from practice before the Office under § 10.156(b) shall:

(1) Within 30 days of entry of the order of suspension or exclusion, notify all bars of which he or she is a member and all clients of the practitioner for whom he or she is handling matters before the Office in separate written communications of the suspension or exclusion and shall file a copy of each written communication with the Director.

(2) Within 30 days of entry of the order of suspension or exclusion, surrender a client's active Office case files to (i) the client or (ii) another practitioner designated by the client.

(3) Not hold himself or herself out as authorized to practice law before the Office.

(4) Promptly take any necessary and appropriate steps to remove from any telephone, legal, or other directory any advertisement, statement, or representation which would reasonably suggest that the practitioner is authorized to practice patent,

trademark or other non-patent law before the Office, and within 30 days of taking those steps, file with the Director an affidavit describing the precise nature of the steps taken.

(5) Not advertise the practitioner's availability or ability to perform or render legal services for any person having immediate, prospective, or pending business before the Office.

(6) Not render legal advice or services to any person having immediate, prospective, or pending business before the Office as to that business.

(7) Promptly take steps to change any sign identifying a practitioner's or the practitioner's firm's office and the practitioner's or the practitioner's firm's stationary to delete therefrom any advertisement, statement, or representation which would reasonably suggest that the practitioner is authorized to practice law before the Office.

(8) Within 30 days, return to any client any unearned funds, including any unearned retainer fee, and any securities and property of the client.

(c) A practitioner who is suspended or excluded from practice before the Office and who aids another practitioner in any way in the other practitioner's practice of law before the Office, may, under the direct supervision of the other practitioner, act as a para-legal for the other practitioner or perform other services for the other practitioner which are normally performed by laypersons, *provided*:

(1) the practitioner who is suspended or excluded is:

(i) a salaried employee of:

(A) the other practitioner;

(B) the other practitioner's law firm; or

(C) a client-employer who employs the other practitioner as a salaried employee;

(2) the other practitioner assumes full professional responsibility to any client and the Office for any work performed by the suspended or excluded practitioner for the other practitioner;

(3) the suspended or excluded practitioner, in connection with any immediate, prospective, or pending business before the Office, does not:

(i) communicate directly in writing, orally, or otherwise with a client of the other practitioner;

(ii) render any legal services to a client of the other practitioner; or

(iii) meet in person or in the presence of the other practitioner with:

(A) any Office official in connection with the prosecution of any patent, trademark, or other case;

(B) any client of the other practitioner, the other practitioner's law firm, or the client-employer of the other practitioner;

(C) any witness or potential witness which the other practitioner, the other practitioner's law firm, or the other practitioner's client-employer may or intends to call as a witness in any proceeding before the Office. The term "witness" includes individuals who will testify orally in a proceeding before, or sign an affidavit or any other document to be filed in, the Office.

(d) When a suspended or excluded practitioner acts as a para-legal or performs services under paragraph (c) of this section, the suspended or excluded practitioner shall not thereafter be reinstated to practice before the Office unless:

(1) the suspended or excluded practitioner shall have filed with the Director an affidavit which (i) explains in detail the precise nature of all para-legal or other services performed by the suspended or excluded practitioner and (ii) shows by clear and convincing evidence that the suspended or excluded practitioner has complied with the provisions of this section and all Disciplinary Rules, and

(2) the other practitioner shall have filed with the Director a written statement which (i) shows that the other practitioner has read the affidavit required by subparagraph (d) (1) of this section and that the other practitioner believes every statement in the affidavit to be true and (ii) states why the other practitioner believes that the suspended or excluded practitioner has complied with paragraph (c) of this section.

§ 10.159 Notice of suspension or exclusion.

(a) Upon issuance of a final decision reprimanding a practitioner or suspending or excluding a practitioner from practice before the Office, the Director shall give notice of the final decision to appropriate employees of the Office and to interested departments, agencies, and courts of the United States. The Director shall also give notice to appropriate authorities of any State in which a practitioner is known to be a member of the bar and any appropriate bar association.

(b) The Director shall cause to be published in the *Official Gazette* the name of any practitioner suspended or excluded from practice. Unless otherwise ordered by the Commissioner, the Director shall publish in the *Official Gazette* the name of any practitioner reprimanded by the Commissioner.

(c) The Director shall maintain records, which shall be available for public inspection, of every disciplinary proceeding where a practitioner is reprimanded, suspended, or excluded unless the Commissioner orders that the proceeding be kept confidential.

§ 10.160 Petition for reinstatement.

(a) A petition for reinstatement of a practitioner suspended for a period of less than five years will not be considered until the period of suspension has passed.

(b) A petition for reinstatement of a practitioner excluded from practice will not be considered until five years after the effective date of the exclusion.

(c) An individual who has resigned under § 10.133 or who has been suspended or excluded may file a petition for reinstatement. The Director may grant a petition for reinstatement when the individual makes a clear and convincing showing that the individual will conduct himself or herself in accordance with the regulations of this part and that granting a petition for reinstatement is not contrary to the public interest. As a condition to reinstatement, the Director may require the individual to:

(1) meet the requirements of § 10.7, including taking and passing an examination under § 10.7(b) and

(2) pay all or a portion of the costs and expenses, not to exceed \$1,500, of the disciplinary proceeding which lead to suspension or exclusion.

(d) Any suspended or excluded practitioner who has violated the provisions of § 10.158 during his or her period of suspension or exclusion shall not be entitled to reinstatement until such time as the Director is satisfied that a period of suspension equal in time to that ordered by the Commissioner or exclusion for five years has passed during which the suspended or excluded practitioner has complied with the provisions of § 10.158.

(e) Proceedings on any petition for reinstatement shall be open to the public. Before reinstating any suspended or excluded practitioner, the Director shall publish in the *Official Gazette* a notice of the suspended or excluded practitioner's petition for reinstatement and shall permit the public a reasonable opportunity to comment or submit evidence with respect to the petition for reinstatement.

§ 10.161 Savings clause.

(a) A disciplinary proceeding based on conduct engaged in prior to the effective date of these regulations may be instituted subsequent to such effective date, if such conduct would continue to justify suspension or exclusion under the provisions of this part.

(b) No practitioner shall be subject to a disciplinary proceeding under this part based on conduct engaged in before the effective date hereof if such conduct would not have been subject to disciplinary action before such effective date.

§ 10.162-10.169 [reserved]**§ 10.170 Suspension of rules.**

(a) In an extraordinary situation, when justice requires, any requirement of the regulations of this part which is not a requirement of the statutes may be suspended or waived by the Commissioner or the Commissioner's designee, *sua sponte*, or on petition of any party, including the Director or the Director's

representative, subject to such other requirements as may be imposed.

(b) Any petition under this section will not stay a disciplinary proceeding unless ordered by the Commissioner or an administrative law judge.

Dec. 21, 1984.

GERALD J. MOSSINGHOFF
*Commissioner of Patents
and Trademarks*

[1052 OG 4]

(175)

Department of Commerce
Patent and Trademark Office
37 CFR Part 10

[Docket No. 40788-8069]

Practice Before the Patent and Trademark Office

Agency: Patent and Trademark Office, Commerce.

Action: Final rule; correction.

Summary: On Feb. 6, 1985, final rules regarding the representation of others before the Patent and Trademark Office were issued. (50 FR 5172, Feb. 6, 1985.) This notice makes a technical correction to the second sentence in § 10.157(a) to reflect the Local Rule designation currently used by the U.S. District Court for the District of Columbia.

For Further Information Contact: Nancy C. Slutter by telephone at [703] 557-4035 or by mail marked to her attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Part 10-Representation of Others Before the Patent and Trademark Office

1. The authority citation for 37 CFR Part 10 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

2. Section 10.157(a) [Corrected]

The reference in § 10.157, paragraph (a), the second sentence, to "1-26" is corrected to read "213".

Apr. 13, 1988.

DONALD W. PETERSON,
*Deputy Assistant Secretary
and Deputy Commissioner of
Patents and Trademarks.*

[1090 OG 41]

(176)

Department of Commerce
Patent and Trademark Office
37 CFR Part 10
[Docket No. 80866-9013]

Requests for Reconsideration in Patent and Trademark Office Disciplinary Proceedings

Agency: Patent and Trademark Office, Commerce

Action: Final Rule

Summary: This final rule sets forth an amendment to 37 CFR 10.156. The purpose of the amendment is to prescribe a date on which the decision of the Commissioner of Patents and Trademarks in a Patent and Trademark (PTO) disciplinary proceeding becomes final agency action for purposes of judicial review, and to provide for one request for reconsideration or modification of such decision by a party.

Effective Date: Apr. 1, 1989

For Further Information Contact: Harris A. Pitlick by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Present rules do not explicitly provide for requests for reconsideration or modification of Commissioner's decisions in appeals from initial decisions of

administrative law judges in PTO disciplinary proceedings. 37 CFR 10.156 presently provides that such a Commissioner's decision is a final agency action.

In a recent case, *Klein v. Peterson*, 6 USPQ 2d 1556 (D.D.C. 1988), a first decision of the Commissioner was withdrawn and ultimately replaced with a second decision. The respondent sought judicial review of the first decision under 35 U.S.C. 32 after its finality had already been withdrawn and then sought judicial review of the second decision. The authority of the Commissioner to, in effect, reconsider his decision in a disciplinary proceeding was challenged in the cited case. The district court held that since there was no express statutory authority proscribing the Commissioner from reconsidering the first decision, there was implicit authority to do so consistent with long-standing precedent in the area of federal administrative law.

While *Klein* confirmed that the Commissioner has inherent authority to reconsider a decision, at least before an appeal has been noted, the PTO believes that a rule explicitly providing for a time in which requests for reconsideration may be made by a party and a date certain for when Commissioner's decisions in disciplinary proceedings become final will both promote greater certainty in this area of disciplinary proceeding practice and eliminate the possibility of multiple appeals. The final rule is not intended to preclude the Commissioner from *sua sponte* reconsidering or modifying a decision in a disciplinary proceeding at any time where conditions warrant and a respondent's due process rights are not violated, consistent with long-standing federal administrative law precedent.

A notice of proposed rulemaking was published in the *Federal Register* on Oct. 3, 1988 (53 FR 38740) and the *Official Gazette* on Oct. 25, 1988 (1095 O.G. 44). Interested parties were requested to submit written comments on or before Dec. 1, 1988. No comments were received.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel has certified to the Chief Counsel for Advocacy, Small Business Administration that the rule change is not expected to have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) because in merely codifying the inherent right of the PTO to reconsider its decisions *sua sponte*, the rule extends the right to each party in a PTO disciplinary proceeding to seek reconsideration.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increases in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no Federalism implications affecting the relationship between the National government and the States as outlined in Executive Order 12612.

This rule change does not contain a collection of information subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

List of Subject in 37 CFR Part 10

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Trademarks.

For the reasons set out in the preamble and under the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, the Patent and Trademark Office amends 37 CFR Part 10 as follows:

PART 10 - REPRESENTATION OF OTHERS BEFORE THE PATENT AND TRADEMARK OFFICE

1. The authority citation for 37 CFR Part 10 would continue to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

2. Section 10.156 is amended by revising paragraph (a) and adding new paragraph (c) to read as follows:

10.156 Decision of the Commissioner.

(a) An appeal from an initial decision of the administrative law judge shall be decided by the Commissioner. The Commissioner may affirm, reverse or modify the initial decision or remand the matter to the administrative law judge for such further proceedings as the Commissioner may deem appropriate. Subject to paragraph (c) of this section, a decision by the Commissioner does not become a final agency action in a disciplinary proceeding until 20 days after it is entered. In making a final decision, the Commissioner shall review the record of those portions of the record as may be cited by the parties in order to limit the issues. The Commissioner shall transmit a copy of the final decision to the Director and to the respondent.

* * * * *

(c) A single request for reconsideration or modification of the Commissioner's decision may be made by the respondent or the Director if filed within 20 days from the date of entry of the decision. Such a request shall have the effect of staying the effective date of the decision. The decision by the Commissioner on the request is a final agency action in a disciplinary proceeding and is effective on its date of entry.

Jan. 11, 1989. DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks

[1100 OG 5]

(177) Department of Commerce
Patent and Trademark Office
37 CFR PART 10

[Docket No. 80340-8188]

Practice Before the Patent and Trademark Office; Government Employees

Agency: Patent and Trademark Office, Commerce.

Action: Final Rule.

Summary: The Patent and Trademark Office (PTO) is amending its rules governing admission of Government employees to practice before the PTO in patent cases, Part 10 of Title 37. Those rules presently permit officers and employees of the Government to be registered only if their official duties include preparation and prosecution of patent applications. A recent decision of the U.S. District Court for the District of Columbia has held that these rules are partially invalid. By these amended rules, the PTO has conformed the rules to the court's decision and has eliminated the "inactive" status designation of registered attorneys and agents who became employed by the Government, but do not engage in the preparation and prosecution of patent applications.

Effective Date: Nov. 4, 1988

For Further Information Contact: Nancy C. Slutter by telephone at (703) 557-4035 or by mail marked to her attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Attorneys and agents must be admitted to practice before the Patent and Trademark Office (PTO) in patent cases. 35 U.S.C. 31; 37 CFR 10.10(a). Part 10 of Title 37 is being amended to allow Federal employees who fulfill the requirements for registration set forth at 37 CFR 10.7

to have their names placed on the PTO register of attorneys and agents.

In the past, the rules provided that an officer or employee of the Government whose official duties include preparation and prosecution of patent applications may be registered. 37 CFR 10.6(d). Under the rule, all other Government employees were not to be registered. If a registered practitioner became a Government employee, the rule required that the petitioner's name be endorsed as "inactive" if the employee's duties did not involve the preparation and prosecution of patent applications.

In a recent decision by the U.S. District Court for the District of Columbia, portions of 37 CFR 10.6(d) were held to be invalid. In that case, an attorney presently employed by a Federal agency petitioned the Commissioner, requesting that his name be placed (with an inactive designation) on the register of attorneys and agents entitled to practice before the PTO in patent cases. His petition was denied in view of 37 CFR 10.6(d). *In re Athridge*, 230 USPQ 470 (Comm'r Pat. 1986). Following the Commissioner's decision, the attorney sought judicial review in the U.S. District Court for the District of Columbia. The court determined that 37 CFR 10.6(d) was invalid to the extent that it precluded registration of an otherwise qualified individual solely on the basis of his status as a Government employee. Based on its determination, the court held that the employee could be registered and designated as "inactive." *Athridge v. Quiqg*, 655 F. Supp. 779, 3 USPQ 2d 1391 (D.D.C. 1987). See also *Athridge v. Quiqg*, 4 USPQ 2d 1656 (Comm'r Pat. 1987).

Amendments to 37 CFR §§ 10.6, 10.10 and 10.23(c) were proposed in a rulemaking notice published in the *Federal Register* at 53 FR 20871-20872 (June 7, 1988) and at 1091 *Official Gazette* 38 (June 28, 1988).

Interested parties were requested to submit written comments on or before Aug. 9, 1988. Written comments were submitted by two individuals and one organization.

Section 10.6, as amended, removes § 10.6(d). The effect of removing § 10.6(d) will permit otherwise qualified Government employees to be registered to practice before the PTO in patent cases. Registration, however, will not relieve any Government employee from otherwise complying with conflict of interest requirements, e.g., 18 U.S.C. 203, 205, 207, applicable agency regulations and personnel practices, and applicable codes of professional responsibility.

Section 10.10, as amended, refers to restrictions on practice in patent cases imposed on Government employees, Office employees, and former Office employees.

Section 10.23(c), which sets forth specific forms of misconduct, is amended by revising paragraph 10.23(c)(13) to reflect the redesignation of paragraph 10.6(e) as § 10.10(b), and by adding new paragraphs (c) and (d), which provide that actions contrary to the restrictions on practice in patent cases set forth in amended paragraphs 10.10(c) and (d) will be treated as misconduct by the Office.

One commenter expressed concern that under § 10.10(b) as proposed, a former member of the patent examining corps could be denied registration (or reinstatement) as the result of filing an application that is assigned to his or her former examining group by the Office even though when filing the application, the practitioner sincerely did not believe the application would be assigned to that group. It is noted that § 10.10(b) contains the same provisions with respect to applications filed by former patent examiners as former § 10.6(e). A former member of the patent examining corps would not be denied registration for filing an application assigned to his or her former group if immediate action is taken to withdraw from further prosecution of the case when he or she finds out that the application has been assigned to his or her former group. Actionable misconduct occurs when the individual *knowingly* acts in violation of the undertaking signed under § 10.10(b). See § 10.23(c)(13).

Two comments were received suggesting an addition to § 10.66 that would correspond to newly proposed § 10.10(d). However, § 10.66 relates to Canon 5 of the Patent and Trademark Office Code of Professional Responsibility (A practitioner should exercise independent judgment on behalf of a client) and is concerned with a practitioner's relationship with clients whereas newly proposed § 10.10(d) is concerned with applicable conflict of interest laws, regulations or codes of professional responsibility as they relate to Government employees. Accordingly,

it is felt that the suggested addition to § 10.66 would be inappropriate.

Two commenters suggested the addition of a new section to be designated as § 10.11(c), adapted from a notice in the *Official Gazette* (1064 O.G. 12) "Reinstatement of Patent Attorneys and Agents to Practice Before the U.S. Patent and Trademark Office." Such a change is not adopted in this rule package but is under consideration for a future rule change.

Two comments were received concerning the differences in the language used in proposed §§ 10.10(b) and 10.23(c)(13) and the need to avoid inconsistencies in these two sections. In particular, § 10.10(b) (last paragraph) included "providing assistance," whereas § 10.23(c)(13) did not; and § 10.23(c)(13) recited "knowingly," whereas § 10.10(b) did not. This suggestion is being adopted. Amended § 10.23(c)(13) will include the language "providing assistance" as it appears in § 10.10(b) and § 10.10(b) will be changed to include the word "knowingly."

It was suggested by two commenters that additional explanatory commentary be provided with respect to newly proposed §§ 10.10(c) and (d). It is felt that this is unnecessary in connection with the rule change. Government employees with questions concerning applicable conflict of interest laws, regulations or codes of professional responsibility should address these questions to their respective Offices of General Counsel. With respect to further comment by the Office concerning practice by Government employees before the PTO, the last paragraph under Supplementary Information in the Notice of proposed rulemaking provides sufficient clarity on this issue.

Two comments were received concerning the status of individuals who may be affected by this rule change. These individuals should contact the Office of Enrollment and Discipline (OED). In addition, the Office will publish a notice in the *Official Gazette* listing all individuals registered as inactive and their last known address.

Two commenters correctly observed that proposed § 10.10(b) does not require a written statement of official duties for an officer or Government employee whose official duties require the preparation and prosecution of applications for patent.

The citation to the Commissioner's decision indicating that Mr. Athridge's name has been entered on the "active" list of registered attorneys and agents entitled to practice before the PTO in patent cases has been added to the discussion under Supplementary Information as suggested.

The suggestion that the term "contrary to" be changed to "in violation of" in proposed § 10.23(c)(20) has not been adopted. The term "contrary to" is considered preferable.

Two comments were received concerning the continued effect of an opinion rendered by the Acting United States Attorney General, 41 *Op. Att. Gen.* 21, 1949 *Dec. Comm'r Pat.* 1 (1949). In response, the Commissioner advises that the PTO maintains the import of that decision is unchanged with respect to practice before the PTO by Government employees. See *In re Athridge*, 230 USPQ 470 (Comm'r Pat. 1986).

Other Considerations

This rule change will not have a significant impact on the quality of the human environment or the conservation of energy resource.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rule change allowing Government employees who meet the requirements set forth at 37 CFR 10.7 to have their names placed on the Patent and Trademark Office register of attorneys and agents would not be expected to result in an increase of fees charged by attorneys and agents to entities, including small entities.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect to the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, state or local government agen-

cies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The PTO has also determined that this notice has no federalism implications affecting the relationship between the national government and the state as outlined in Executive Order 12612.

The rule change will not impose any additional burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. Office of Management and Budget approval of the registration information reporting requirements contained in the proposed rules was extended until July 31, 1990. [OMB Control No. 0651-0012].

List of Subjects in 37 CFR Part 10

Administrative practice and procedure, Conflicts of interest, Courts, Inventions and patents, Lawyers.

Pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6 and 31, Part 10 of Title 37 of the Code of the Federal Regulations is amended as set forth below:

PART 10-REPRESENTATION OF OTHERS BEFORE THE PATENT AND TRADEMARK OFFICE

1. The authority citation for 37 CFR Part 10 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

2. Section 10.6 is amended by removing paragraph (d) and redesignating paragraph (e) as § 10.10(b).

3. Section 10.10 is amended by revising the title, redesignating the text as paragraph (a), revising newly redesignated paragraph (b) and adding new paragraphs (c) and (d) to read as follows:

§ 10.10 Restrictions on practice in patent cases.

(a) Only practitioners who are registered under § 10.6 or individuals given limited recognition under § 10.9 will be permitted to prosecute patent applications of others before the Office.

(b) No individual who has served in the patent examining corps of the Office may practice before the Office after termination of his or her service, unless he or she signs a written undertaking (1) not to prosecute or aid in any manner in the prosecution of any patent application pending in any patent examining group during his or her period of service therein and (2) not to prepare or prosecute or to assist in any manner in the preparation or prosecution of any patent application of another [i] assigned to such group for examination and [ii] filed within two years after the date he or she left such group, without written authorization of the Director. Associated and related classes in other patent examining groups may be required to be included in the undertaking or designated classes may be excluded from the undertaking. When an application for registration is made after resignation from the Office, the applicant will not be registered if he or she has prepared or prosecuted or assisted in the preparation or prosecution of any patent application as indicated in the paragraph. Knowingly preparing or prosecuting or providing assistance in the preparation or prosecution of any patent application contrary to the provisions of this paragraph shall constitute misconduct under § 10.23(c)(13) of this part.

(c) A practitioner who is an employee of the Office cannot prosecute or aid in any manner in the prosecution of any patent application before the Office.

(d) Practice before the Office by Government employees is subject to any applicable conflict of interest laws, regulations or codes of professional responsibility. [Approved by the Office of Management and Budget under control number 0651-0012]

4. Section 10.23 is amended by revising paragraph (c)(13) and by adding new paragraphs (c)(19) and (c)(20) to read as follows:

§ 10.23 MISCONDUCT

* * * * *

(c) * * *

(13) Knowingly preparing or prosecuting or providing assistance in the preparation or prosecution of a patent application in violation of an undertaking signed under § 10.10(b).

* * * * *

(19) Action by an employee of the Office contrary to the provisions set forth in § 10.10(c).

(20) Knowing practice by a Government employee contrary to applicable Federal conflict of interest laws, or regulations of the Department, agency or commission employing said individual.

* * * * *

Sept. 15, 1988
DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[1095 OG 45]

(178)
Department of Commerce
Patent and Trademark Office
37 CFR Part 10

Docket No. 80340-8188

Practice Before the Patent and Trademark Office

Agency: Patent and Trademark Office, Commerce

Action: Final Rule: Corection

Summary: Oct. 4, 1988, final rules amending regulations regarding the representation of others before the Patent and Trademark Office were issued. (53 FR 38948, Oct. 4, 1988.) This notice makes a technical correction to §10.10(b) to reflect that by reason of the amended regulations, §§ 10.10(c) and 10.10(d) currently address practice of Government employees before the Patent and Trademark Office in patent cases.

Effective Date: Feb. 13, 1989.

For Further Information Contact: Cameron Weiffenbach by telephone at (703) 557-2012 or by mail marked to his attention and addressed to Box OED, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information:

List of Subjects in 37 CFR Part 10

Administrative practice and procedure.

PART 10-REPRESENTATION OF OTHERS BEFORE THE PATENT AND TRADEMARK OFFICE

1. The authority citation for 37 CFR Part 10 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

§10.101 [Amended]

2. Section 10.101(b) [Amended]

The reference in § 10.101(b) to "§ 10.6(d)" is revised to read "§§ 10.10(c) and 10.10(d)."

Feb. 2, 1989.
DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks

[1100 O.G. 7]

(179)

**Department of Commerce
Patent and Trademark Office
37 CFR Part 100**

[Docket No. 80995-8195]

**Rights Determinations in Government
Employee Inventions**

Agency: Patent and Trademark Office, Commerce.

Action: Final rule.

Summary: Executive order 10096 as amended by Executive Order 10930 sets forth the policies and procedures for determining the rights of Government employees and the Government in inventions made by employees. The Delegation of Authority from the Secretary of Commerce, dated Sept. 15, 1988, transferred administration of these provisions from the Commissioner of Patents and Trademarks to the Under Secretary for Economic Affairs in the Department of Commerce. This final rule removes 37 CFR Part 100 in its entirety.

Effective date: This rule is effective Nov. 1, 1988.

For Further Information Contact: John H. Raubitschek by telephone at [703] 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: Executive Order 10096, as amended by Executive Order 10930, sets forth the policies and procedures for determining the rights of Government employees and the Government in inventions made by the employees. The function of reviewing agency rights determinations assigned to the Secretary of Commerce was delegated by the Secretary to the Commissioner of Patents and Trademarks. On Sept. 15, 1988, the Secretary changed the delegation to the Under Secretary for Economic Affairs, who is republishing Part 100 as new Part 501 in 37 CFR.

All rights determinations and appeals relating thereto, which are pending before the Commissioner at the time 37 CFR Part 501 becomes effective, will be acted upon by the Commissioner under the procedures in 37 CFR Part 100.

The Patent and Trademark Office has determined that this notice is not a rule within the meaning of section 1(a) of Executive Order 12291. Therefore, no Regulatory Impact Analysis has to or will be prepared. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given by section 553 of the Administrative Procedure Act (5 U.S.C. 553), or by any other law, no initial or final Regulatory Flexibility Analysis has to or will be prepared for the purposes of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)).

This final rule does not contain a policy with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612. Nor does this rule contain a collection of information for purposes of the Paperwork Reduction Act of 1980.

For reasons set forth in the preamble, 37 CFR Part 100 is amended as follows:

PART 100—[REMOVED AND RESERVED]

1. Part 100 is removed and reserved.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

Oct. 4, 1988

[FR Doc. 88-23238 Filed 10-7-88; 8:45 am]
Billing Code 3510-16-M O

[1096 OG 15]

(180)

**Department of Commerce
Patent and Trademark Office
37 CFR Part 501**

[Docket No. 80627-8127]

**Uniform Patent Policy for Domestic
Rights in Inventions Made by
Government Employees**

Agency: Under Secretary for Economic Affairs, Department of Commerce.

Action: Final rule.

Summary: Executive Order 10096, as amended by Executive Order 10930, sets forth the policies and procedures for determining the rights in Federal employee inventions with respect to the Federal employee and the Government employer. The Delegation of Authority from the Secretary of Commerce dated, Sept. 15, 1988 and effective Nov. 1, 1988, transferred administration of the provisions of Executive Order 10096 as amended by Executive Order 10930 from the Commission of Patents and Trademarks to the Under Secretary for Economic Affairs in the Department of Commerce. This final rule establishes 37 CFR Part 501 which sets forth this delegation of authority to the Under Secretary. In addition, each Government agency is authorized to determine whether the results of research, development, or other activity within the agency constitute an invention with the purview of Executive Order 10096, as amended by Executive Order 10930 and to determine initially the rights therein in accordance with the provisions of section 501.6 and 501.7 herein. By separate notice in today's *Federal Register* the Patent and Trademark Office is deleting 37 CFR Part 100.

Effective Date: Nov. 1, 1988.

However, all rights, determinations, and appeals submitted to the Commissioner prior to the effective date, will be reviewed by the Commissioner under the procedures of 37 CFR Part 100. *Address:* Comments may be sent to Mr. Joseph P. Allen, Acting Director, Federal Technology Management Division, Office of the Under Secretary for Economic Affairs, United States Department of Commerce, Room 4839, Herbert C. Hoover Bldg., Washington, D.C. 20230.

For Further Information Contact: Mr. Joseph P. Allen, by telephone at (202) 377-8100 or Robert B. Ellert by telephone at (202) 377-5394.

Supplementary Information: Executive Order 10096, as amended by Executive Order 10930, sets forth the policies and procedures for determining the rights in Federal Employee inventions with respect to the Federal employee and the Government employer. The Under Secretary for Economic Affairs of the Department of Commerce was delegated responsibility for oversight of the Executive Order on Sept. 15, 1988. Functions required by the Executive Order were previously performed by the Commissioner of Patents and Trademarks. This final rule is substantially the same as the rule set out in 37 CFR Part 100, except, the Secretary of Commerce is substituted for the Commissioner of Patents and Trademarks, and advance approval is given to agency heads to make final determinations relating to determinations of rights decisions of Government employee inventions, subject to employee appeal to the Secretary.

President Reagan in Executive Order 12591, on Apr. 10, 1987 directed all Government agencies to facilitate the transfer of technology developed at federal laboratories to the private sector and to promote its commercialization. To accomplish the goals of E.O. 12591 it is necessary that rights to inventions made by government employees be determined as expeditiously as possible. Accordingly, the Secretary has reviewed the existing procedures and policies under 37 CFR Part 100 and concluded that administration of the functions thereunder could be performed on a more efficient basis by confining the role of the Department of Commerce to appeals by employees from disputed agency determinations. Accordingly, under 37 CFR Part 501 each Government agency is given the authority to determine whether the results of research, development of other activities within the agency constitute an invention by an employee, and to determine initially the rights relating to ownership within the provisions of Executive Order 10096 as amended by Executive Order 10930. If no appeal is taken to the Secretary by an employee under section 501.8, the initial determination of the agency will be final.

Notwithstanding the fact that this is a final rule, comments are requested.

Because this rule concerns agency management and personnel, it is not a rule or regulation within the meaning of section 1(a) of Executive Order 12291, and it is not subject to the

requirements of the Order. Accordingly, no preliminary or final regulatory impact analysis has to be or will be prepared.

Because a notice of proposed rulemaking and an opportunity for public comments are not required to be given for this rule by section 553 of the Administrative Procedure Act (5 U.S.C. 553), or by any other law, no regulatory flexibility analysis has to be or will be prepared for purposes of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)).

This final rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612. This rule does not contain collections of information for purposes of the Paperwork Reduction Act.

The changes in the process of determining employee rights to inventions made by this rule do not have takings implications sufficient to require preparation of a Takings Implications Assessment under Executive Order 12630.

List of Subjects in 37 CFR Part 501

Uniform patent policy. Domestic Rights in inventions, Inventions made by Government employees.

Oct. 3, 1988

ROBERT ORTNER,
*Under Secretary for
Economic Affairs.*

* * * * *

For the reasons set forth in the preamble 37 CFR is amended by adding Chapter V, consisting of Part 501, to read as follows:

CHAPTER V—UNDER SECRETARY FOR ECONOMIC AFFAIRS, DEPARTMENT OF COMMERCE

PART 501—UNIFORM PATENT POLICY FOR DOMESTIC RIGHTS IN INVENTIONS MADE BY GOVERNMENT EMPLOYEES

Sec.

- 501.1 Purpose.
- 501.2 Scope.
- 501.3 Definitions.
- 501.4 Determination of Inventions and Rights therein.
- 501.5 Agency Liaison Officer.
- 501.6 Criteria for The Determination of Rights in and to Inventions.
- 501.7 Agency Determination.
- 501.8 Appeals by employees.
- 501.9 Patent protection.
- 501.10 Dissemination of this part and of implementing regulations.

Authority: Sec. 4, E.O. 10096, 3 CFR 1949-1953 Comp., p. 292, as amended by E. O. 10930, 3 CFR 1959-1963 Comp., p. 456; and Delegation of Authority by the Secretary of Commerce, Sept. 15, 1988, DOO 10-9.

§ 501.1 Purpose.

The purpose of this part is to provide for the administration of a uniform patent policy for the Government with respect to the domestic rights in inventions made by Government employees and to prescribe rules and regulations for implementing and effectuating such policy.

§ 501.2 Scope.

This part applies to any invention made by a Government employee and to any action taken with respect thereto.

§ 501.3 Definitions.

(a) The term "Secretary," as used in this part, means the Under Secretary of Commerce for Economic Affairs.

(b) The term "Government agency" as used in this part, means and Executive department or independent establishment of the Executive branch of the Government (including any

independent regulatory commission or board, any corporation wholly owned by the United States, and the Smithsonian Institution), but does not include the Department of Energy for inventions made or conceived under the provisions of 42 U.S.C. 2182.

(c) The term "Government employee," as used in this part, means any officer or employee, civilian or military, of any Government agency, including any part-time consultant or part-time employee except as may otherwise be provided for by agency regulation approved by the Secretary.

(d) The term "invention," as used in this part, means any art, machine, manufacture, design, or composition of matter, or any new and useful improvement thereof, or any variety of plant, which is or may be patentable under the patent laws of the United States.

§ 501.4 Determination of Inventions and rights therein.

Each Government agency has the approval of the Secretary to determine whether the results of research, development, or other activity in the agency constitute an invention within the purview of E.O. 10096, as amended by E.O. 10930 and to determine the rights therein in accordance with the provisions of § 501.6 and 501.7 herein.

§ 501.5 Agency Liaison Officer.

Each Government agency shall designate a liaison officer to represent the agency before the Secretary. Provided, however, that the Departments of the Army, the Navy, and the Air Force may each designate a liaison officer.

§ 501.6 Criteria for the Determination of Rights In and To Inventions.

(a) The following rules shall be applied in determining the respective rights of the Government and of the inventor in and to any invention that is subject to the provisions of this part:

- (1) The Government shall obtain, except as herein otherwise provided, the entire domestic right, title and interest in and to any invention made by any Government employee:
 - (i) During working hours, or
 - (ii) With a contribution by the Government of facilities, equipment, materials, funds or information, or of time or services of other Government employees on official duty, or
 - (iii) Which bears a direct relation to or is made in consequence of the official duties of the inventor.

Foreign patent rights are governed by the provisions of 37 CFR Part 101.

- (2) In any case where the contribution of the Government, as measured by any one or more of the criteria set forth in paragraph (a)(1) of this section, to the invention is insufficient equitably to justify a requirement of assignment to the Government of the entire domestic right, title, and interest in and to such invention, or in any case where the Government has insufficient interest in an invention to obtain the entire domestic right, title, and interest therein (although the Government could obtain same under paragraph (a)(1) of this section), the Government agency concerned shall leave title to such invention in the employee, subject however, to the reservation to the government of a nonexclusive, irrevocable, royalty-free license in the invention with power to grant licenses for all governmental purposes, such reservation, in the terms thereof, to appear, where practicable, in any patent, domestic or foreign, which may issue on such invention. Reference is made to section 15 of the Federal Technology Transfer Act of 1986 (15 U.S.C. 3710d) which requires a Government agency to allow the inventor to retain title to any covered invention when the agency does not intend to file a patent application or otherwise promote commercialization.
- (3) In applying the provisions of paragraphs (a)(1) and (2) of this section to the facts and circumstances relating to the making of a particular invention, it shall be presumed that

an invention made by an employee who is employed or assigned:

- (i) To invent or improve or perfect any art, machine, design, manufacture, or composition of matter,
- (ii) To conduct or perform research, development work, or both,
- (iii) To supervise, direct, coordinate, or review Government financed or conducted research, development work, or both, or
- (iv) To act in a liaison capacity among governmental or non-governmental agencies or individuals engaged in such research or development work, falls within the provisions of paragraph (a)(1) of this section, and it shall be presumed that any invention made by any other employee falls within the provisions of paragraph (a)(2) of this section. Either presumption may be rebutted by a showing of the facts and circumstances in the case and shall not preclude a determination that these facts and circumstances justify leaving the entire right, title and interest in and to the invention in the Government employee, subject to the law.

(4) In any case wherein the Government neither:

- (i) Obtains the entire domestic right, title and interest in and to an invention pursuant to the provisions of paragraph (a)(1) of this section nor
- (ii) Reserves a nonexclusive, irrevocable, royalty-free license in the invention, with power to grant licenses for all governmental purposes, pursuant to the provisions of paragraph (a)(2) of this section.

The Government shall leave the entire right, title and interest in and to the invention in the Government employee, subject to law.

§ 501.7 Agency determination.

(a) If the agency determines that the Government is entitled to obtain title pursuant to § 501.6(a)(1) and the employee does not appeal, no further review is required.

(b) In the event that a Government agency determines, pursuant to paragraph (a)(2) or (a)(4) of § 501.6, that title to an invention will be left with the employee, the agency shall notify the employee of this determination.

(c) In the case of a determination under either paragraph (a) or (b) of this section, the agency shall promptly prepare, and preserve in appropriate files, accessible to the Secretary, a written, signed, and dated statement concerning the invention including the following:

- (1) A description of the invention in sufficient detail to identify the invention and show its relationship to the employee's duties and work assignments;
- (2) The name of the employee and employment status, including a detailed statement of official duties and responsibilities at the time the invention was made; and
- (3) An explanation of the agency determination and reasons therefor. The agency shall, subject to considerations of national security, or public health, safety, or welfare, submit to the Secretary, if an appeal is taken, a copy of this written statement.

§ 501.8 Appeals by employees.

(a) Any Government employee who is aggrieved by a Government agency determination pursuant to § 501.6(a)(1) or (a)(2), may obtain a review of any agency determination by filing, within 30 days (or such longer period as the Secretary may, for good cause shown in writing, fix in any case) after receiving notice of such determination, two copies of an appeal with the Secretary. The Secretary then shall forward one copy of the appeal to the Government agency.

(b) On receipt of a copy of an appeal filed pursuant to paragraph (a) of this section, the agency official who made the agency determination being appealed shall, subject to considerations of national security, or public health, safety, or welfare, promptly furnish both the Secretary and the inventor with a copy

of a report containing the following information about the invention involved in the appeal:

- (1) A copy of a statement by the agency containing the information specified in § 501.7, and
- (2) A detailed statement of the points of dispute or controversy, together with copies of any statements or written arguments filed with the agency, and of any other relevant evidence that the agency considered in making its determination of Government interest. Within 25 days (or such longer period as the Secretary may, for good cause shown, fix in any case) after the transmission of a copy of the agency report to the employee, the employee may file a reply thereto with the Secretary and file one copy thereof with the appropriate agency decision maker.

(c) After the time for the inventor's reply to the Government agency's report has expired and if the inventor has so requested in his or her appeal, a date will be set for hearing of oral arguments before the Secretary, by the employee (or by an attorney whom he or she designates by written power of attorney filed before, or at the hearing) and a representative of the Government agency involved. Unless it shall be otherwise ordered before the hearing begins, oral arguments will be limited to thirty minutes for each side. The employee need not retain an attorney or request an oral hearing to secure full consideration of the facts and his or her arguments. The employee may expedite such consideration by notifying the Secretary when he or she does not intend to file a reply to the agency report.

(d) After a hearing on the appeal, if a hearing was requested, or after expiration of the period for the inventor's reply to the agency report if no hearing is set, the Secretary shall issue a decision on the matter within 120 days, which decision shall be final after a thirty day period for requesting reconsideration expires or on the date that a decision on a petition for reconsideration is finally disposed of. Any request for reconsideration or modification of the decision must be filed within 30 days from the date of the original decision (or within such an extension thereof as may be set by the Secretary before the original period expires). The decision of the Secretary shall be made after consideration of the statements of fact in the employee's appeal, the agency's report, and the employee's reply, but the Secretary at his or her discretion and with due respect to the rights and convenience of the inventor and the Government agency, may call for further statements on specific questions of fact or may request additional evidence in the form of affidavits or depositions on specific facts in dispute.

§ 501.9 Patent protection.

(a) A Government agency, upon determining that an invention coming within the scope of § 501.6(a)(1) or (a)(2) has been made, shall thereupon determine whether patent protection will be sought in the United States by the agency for such invention. A controversy over the respective rights of the Government and of the employee in any case shall not delay the taking of the actions provided for in this section. In cases coming within the scope of § 501.6(a)(2), agency action looking toward such patent protection shall be contingent upon the consent of the employee.

(b) Where there is an appealed dispute as to whether § 501.6(a)(1) or (a)(2) applies in determining the respective rights of the Government and of an employee in and to any invention, the agency will determine whether patent protection will be sought in the United States pending the Secretary's decision on the dispute and, if it decides that an application for patent should be filed, will take such rights as are specified in § 501.6(a)(2), but this shall be without prejudice to acquiring the rights specified in paragraph (a)(1) of that section should the Secretary so decide.

(c) Where an agency has determined to leave title to an invention with an employee under § 501.6(a)(2), the agency will, upon the filing of an application for patent take the rights specified in that paragraph without prejudice to the subsequent acquisition by the Government of the rights specified in paragraph (a)(1) of that section should the Secretary so decide.

§ 501.10 Dissemination of this part and of implementing regulations.

Each Government agency shall disseminate to its employees the provisions of this part, and any appropriate implementing

agency regulations and delegations. Copies of any such regulations shall be sent to the Secretary. If the Secretary identifies an inconsistency between this part and the agency regulations or delegations, the agency, upon being informed by the Secretary of the inconsistency, shall take prompt action to correct it.

[FR Doc. 88-23239 Filed 10-7-88; 8:45 am]
Billing Code 3510-EA-M

**(181) Practitioner's Responsibility to Avoid
Prejudice to the Rights of a Client/Patent Applicant**

Under 37 CFR Part 10, a practitioner is responsible for taking reasonable steps to avoid foreseeable prejudice to the rights of a client/patent applicant. This responsibility exists in all circumstances including those where the practitioner is operating through a corporate liaison or foreign agent and has no direct contact with the client/patent applicant, who in most cases is the one being represented.

This notice is intended to clarify the appropriate course of action for a practitioner to follow when the practitioner is operating through such a corporate liaison or foreign agent. In such arrangements, the registered practitioner may rely upon the advice of the corporate liaison or the client/patent applicant's foreign agent as to the action to be taken so long as the practitioner is aware that the client/patent applicant has consented after full disclosure to be represented by the liaison or agent. It will be assumed by the Patent and Trademark Office that the client/patent applicant has an agreement with the liaison or agent, arrived at after full disclosure, to be represented by the liaison or agent. Registered practitioners, if they wish, however, may maintain a copy of the agreement in this regard between the client/patent applicant and the liaison or agent in practitioner's file of the application or other proceeding before the Office. If there is, in fact, no such agreement between the client/patent applicant and the liaison or agent, the registered practitioner must communicate to the client/patent applicant.

In circumstances where the practitioner is aware that there is an agreement between the client/patent applicant and the liaison or agent, the practitioner may fully rely upon the advice of the liaison or agent as to the wishes of the client/patent applicant. For example, if the registered practitioner is instructed by the client/patent applicant's liaison or agent to allow an application to go abandoned rather than to respond to an Office action within a set period for response, the practitioner may properly do so without any further notice to the client/patent applicant.

It is assumed that withdrawal from employment by a practitioner will remain a relatively rare occurrence, particularly in view of this clarification. This notice should not be taken to require or encourage withdrawal. If a practitioner should decide to withdraw, however, the practitioner must take reasonable steps to avoid foreseeable prejudice to the rights of the client/patent applicant including allowing time for employment of another practitioner (37 CFR 10.40). Therefore, at least thirty days would be required between the date of approval by the Office of the withdrawal and the later of the expiration date of the response period or the expiration date of the period which can be obtained by a petition for extension of time and fee under 37 CFR 1.136(a). This is necessary so that the client/patent applicant would have sufficient time to obtain other representation or to take other action. If a period has been set for response and the period may be extended without a showing of cause pursuant to 37 CFR 1.136(a) by filing a petition for extension of time and fee, the practitioner will not be required to seek such extension of time for withdrawal to be approved. In such a situation, however, withdrawal will not be approved unless at least thirty days would remain between the date of approval and the last date on which such a petition for extension of time and fee could properly be filed.

Dec. 10, 1987

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[1086 OG 457]

**(182) Responsibilities of Practitioners Representing
Clients in Proceedings Before
The Patent and Trademark Office**

This notice is intended to remind practitioners of certain aspects of their responsibilities in representing clients in proceedings before the Office. The Notice is also intended to supplement the discussion set forth in the *Official Gazette* Notice published at 1086 *Official Gazette* 457 (Jan. 12, 1988) entitled "Practitioner's Responsibility to Avoid Prejudice to the Rights of a Client/Patent Applicant" and to amplify and supersede the Helpful Hint published at 1084 *Official Gazette* 34 (Nov. 24, 1987) titled "Correspondence Address and/or Fee Address of Maintenance Fees."

Part 10 of title 37, Code of Federal Regulations, sets forth the Patent and Trademark Office (PTO) Code of Professional Responsibility. Each attorney or agent who practices before the PTO is subject to the rules set forth in Part 10 and should carefully study the rules promulgation originally published at 50 *Federal Register* 5158 (Feb. 6, 1985) and at 1052 *Official Gazette* 4 (Mar. 5, 1985) and reproduced as item number 172 in the Consolidated Listing of Official Gazette Notices, published at 1086 *Trademark Official Gazette* 3 (Jan. 5, 1988).

Practitioner's Client

During the promulgation of Part 10, 37 CFR, several individuals suggested that "it may be difficult to determine the identity of the 'client' . . . , particularly in corporate patent departments." The response to that suggestion was that "[t]he PTO will presume that practitioners know the identities of their clients . . ." 50 *Federal Register* 5163 (Feb. 6, 1985); 1086 *Trademark Official Gazette* 356 (Jan. 5, 1988). For example, in a patent application, practitioner's client is ordinarily the inventor who gives practitioner a power of attorney to prosecute the application (37 CFR 1.31). A practitioner may represent only the assignee of the entire interest in a patent application if the assignee has filed a power of attorney and the assignee is conducting the prosecution of the application to the exclusion of the inventor. (37 CFR 1.32).

In the promulgation of Part 10, 37 CFR, a commenter raised a question of who is the client when an application is filed on behalf of an individual, but the individual's assignee pays practitioner's bill. The question was answered in the following manner:

"Practitioners are expected to know the identities of their clients. If a practitioner is hired by a corporation and wishes to make that fact plain on the record of a patent application, the practitioner may file an assignment and a power of attorney signed by the assignee. If a dispute should then occur between the individual and the assignee, the record would be clear that the assignee is the client." 50 *Federal Register* 5164 (Feb. 6, 1985); 1086 *Trademark Official Gazette* 357 (Jan. 5, 1988).

In some instances, practitioners deal with a corporate liaison or foreign agent. Such arrangements do not automatically change the person whom practitioner represents, e.g., the inventor or trademark owner. The fact that a U.S. practitioner receives instructions from the inventor or trademark owner through a foreign attorney or agent does not change the fact that the client is still the inventor or trademark owner rather than the foreign attorney or agent. See *Strojirenstvi v. Toyota*, 2 USPQ2d 1222 (Comm'r Pat. 1986), which at 1223 cited *Yetter Manufacturing Co. v. Hiniker Co.*, 213 USPQ 119, 120 (D. Minn. 1981) for the principle that "when attorney served as local counsel for a law firm representing Hiniker Co., the attorney represented Hiniker and not the law firm" and also cited *Toulmin v. Becker*, 105 USPQ 511 (Ohio Ct. App. 1954) for the principle that "foreign patent agents or attorneys were not clients of U.S. patent attorney." The PTO expects practitioners to know the identities of their clients and to take reasonable steps to avoid foreseeable prejudice to the rights of their clients.

Obtaining Instructions Through Persons Other Than The Client

In practice, it is common for instructions relating to the application of an inventor or trademark owner, who is the client

of the U.S. practitioner, to be passed to the U.S. practitioner through intermediaries, such as corporate liaisons or foreign agents. Clearly, a client may choose to use a corporate liaison or a foreign agent to convey instructions, etc., to a practitioner. In such an arrangement, the practitioner may rely upon instructions of, and accept compensation from, the corporate liaison or the foreign agent as to the action to be taken in a proceeding before the Office so long as the practitioner is aware that the client has consented to have instructions conveyed through the liaison or agent. See 37 CFR 10.68(a) and (b). An agreement between the client and the liaison or agent establishes an agency relationship between the liaison or agent and the client such that the U.S. practitioner can rely upon the liaison or agent as the representative of the client for the purpose of communicating the client's instructions about the proceeding to the U.S. practitioner. The PTO will assume that the client has an agreement with the liaison or agent to be represented by the liaison or agent. It is the responsibility of the client to notify the practitioner that the agency relationship between the client and the liaison or agent has ceased to exist and that instructions from the liaison or agent should no longer be accepted.

A practitioner could secure evidence that such an agreement exists by having a patent or trademark applicant sign a statement to that effect at the same time that the power of attorney is executed. For example, the following language could be inserted in an oath, declaration, or power of attorney form:

"The undersigned hereby authorizes the U.S. attorney or agent named herein to accept and follow instructions from as to any action to be taken in the Patent and Trademark Office regarding this application without direct communication between the U.S. attorney or agent and the undersigned. In the event of a change in the persons from whom instructions may be taken, the U.S. attorney or agent named herein will be so notified by the undersigned."

Without an agency relationship between the liaison or agent and the client, a practitioner would be bound by 37 CFR 10.68(b) to "not permit a person who recommends, employs, or pays the practitioner to render legal services for another, to direct or regulate the practitioner's professional judgment in rendering such legal services."

Practitioner's Responsibility to a Client After the Client's Patent Issues or Trademark is Registered

The Office has received inquiries from practitioners as to their responsibilities to a client (patent or trademark applicant) after the client's patent was issued or trademark has been registered. In response thereto, it is pointed out that a power of attorney given during prosecution of a patent or trademark application is considered to be viable after the patent is issued or the trademark is registered. See 50 *Federal Register* 5164 (Feb. 6, 1985); 1086 *Trademark Official Gazette* 357 (Jan. 5, 1988). While the Office considers such a power of attorney to be viable for purposes of the practitioner taking actions in proceedings before the Office if practitioner and the client so desire, the existence of the power of attorney to file and/or prosecute the application through issuance of the patent or registration of the trademark does not establish whether practitioner has a responsibility, and a duty affirmatively in a proceeding before the Office on behalf of the client after the patent issues or the trademark is registered.

Practitioner's responsibility to take affirmative action in a proceeding before the Office after the patent issues or the trademark is registered depends upon whether practitioner still has a practitioner-client relationship with the client which has continued after the patent issued or trademark is registered. The mere existence of the power of attorney to file and/or prosecute the application through issuance of the patent or registration of the trademark would not establish such a practitioner-client relationship in the absence of other facts establishing such a relationship since the purpose for which the power of attorney was originally given has been accomplished.

Practitioner's Responsibility to a Former Client

While practitioner may no longer have a practitioner-client relationship with a client and therefore has no duty to represent the client in a proceeding before the Office, a practitioner nevertheless has certain obligations to a former client. These obligations are placed upon practitioner by the Office rules and are necessary for the proper conduct of proceedings before the Office. Under 37 CFR 10.23(c)(8), practitioners have a duty to inform a client or former client or timely notify the Office of an inability to notify a client or former client of certain correspondence received from the Office and also from the client's or former client's opponent in an *inter partes* proceeding before the Office. Practitioners have an obligation whether the client is a present client or a former client. Included among the items of correspondence of which practitioners have the obligation to inform clients or former clients are notices regarding maintenance fees, reexamination proceedings, and institution of *inter partes* patent and trademark proceedings.

Address to Which Correspondence is Sent Regarding Patent Maintenance Fees and Reexamination Proceedings

Under 37 CFR 1.33(d), a "correspondence address" or a change thereto may be filed with the Office during the enforceable life of a patent. This "correspondence address" will be used in any correspondence relating to maintenance fees unless a separate "fee address" has been specified solely for maintenance fee purposes as provided by 37 CFR 1.363. Practitioners who do not wish to receive correspondence relating to maintenance fees must change the correspondence address in the patented file or provide the PTO with a fee address to which the correspondence should be sent. It is not required that a practitioner file a request for permission to withdraw pursuant to 37 CFR 1.36 solely for the purpose of changing the correspondence address in a patent even though a withdrawal of a practitioner would change the correspondence address.

Since 37 CFR 1.33(c) specifies that all notices, official letters and other communications for the patent owner or owners in a reexamination proceeding will be directed to the attorney or agent of record in the patent file, a request for permission to withdraw pursuant to 37 CFR 1.36 must be filed in the patent if the attorney or agent of record does not desire to receive correspondence relating to reexamination. For information on requests to withdraw, see the discussion in the Jan. 12, 1988 *Official Gazette* Notice cited above.

Contact Points For Information

If a practitioner has questions about the conduct of, or requirements relating to a particular proceeding before the Office, those questions should be directed to the particular area of the Office responsible for the proceeding. If practitioners have questions about their responsibilities to their clients, those questions should be directed to the Office of Enrollment and Discipline. The telephone number of that Office is (703) 557-2012.

May 25, 1988 DONALD J. QUIGG,
Assistant Secretary and Commissioner
of Patents and Trademarks.

[1091 OG 26]

(183) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Part 10
[Docket No. 81146-9134]
RIN: 0651-AA41

**Exhaustion of Administrative Remedies
in Patent and Trademark Office
Disciplinary Proceedings**

Agency: Patent and Trademark Office, Commerce
Action: Final Rule
Summary: This final rule sets forth amendments to 37 CFR §§ 10.155 and 10.157. The purpose of the amendments is to clarify

that a respondent dissatisfied with the initial decision by the administrative law judge in a Patent and Trademark Office (PTO) disciplinary proceeding must exhaust available administrative remedies, i.e., appeal to the Commissioner of Patents and Trademarks, before seeking judicial review under 35 U.S.C. 32.

Effective Date: August 1, 1989

For Further Information Contact: Harris A. Pitlick by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: It is possible that present rules may be interpreted not to explicitly require a respondent dissatisfied with the decision of the administrative law judge (initial decision) in a PTO disciplinary proceeding to file an appeal with the Commissioner of Patents and Trademarks as a condition precedent to filing a petition for review in the United States District Court for the District of Columbia under 35 U.S.C. 32.

Under 37 CFR § 10.154(a), in the absence of an appeal to the Commissioner, the initial decision, without further proceedings, becomes the decision of the Commissioner thirty (30) days therefrom. Local Rule 213 of the United States District Court for the District of Columbia, 37 CFR § 10.157 and 35 U.S.C. 32, together provide for review of the final decision of the Commissioner by a petition in that court within 30 days of the date of that decision. Thus, the rules could be construed to permit a respondent dissatisfied with the initial decision to bypass review by the Commissioner and directly seek judicial review within 60 days of the date of the initial decision.

The purpose of 37 CFR §§ 10.154-10.157 is to outline the steps for seeking review of an initial decision in a disciplinary proceeding. There is no provision for bypassing a determination by the Commissioner unless both parties accept the decision and do not desire any further review of the initial decision. Sections 10.155 and 10.157 have been amended to clarify that a respondent must exhaust available administrative remedies by appeal to the Commissioner before judicial review can be considered ripe.

Subsequent to a notice of proposed rulemaking setting forth the proposed amendments now adopted by this Final Rule, an amendment to 37 CFR § 10.156 was adopted. See 54 FR 6659 (February 14, 1989). Section 10.156 now explicitly permits the respondent or the Director to make a single request for reconsideration or modification of the Commissioner's decision on appeal from an initial decision. Nothing in that rule, or in the rules adopted by this Final Rule, requires a respondent dissatisfied with the Commissioner's decision to seek reconsideration thereof. Thus, a respondent dissatisfied with the Commissioner's decision may directly seek judicial review under 35 U.S.C. 32. In other words, for purposes of 37 CFR Part 10, exhaustion of administrative remedies is complete upon appeal to the Commissioner from the initial decision.

A notice of proposed rulemaking was published in the *Federal Register* on December 28, 1988 (53 FR 52438) and the *Official Gazette* on January 17, 1989 (1098 O.G. 527). Interested parties were requested to submit written comments on or before February 27, 1989. Comments from two (2) sources were received. None of the suggestions made in the comments have been adopted. A detailed analysis of the comments follows:

Comment: The proposed rules do not go quite far enough in order to comply with 5 U.S.C. 704, which specifies that agency action otherwise final is final for purposes of this section whether or not there has been presented or determined an application . . . unless the agency otherwise requires by rule and provides that the action meanwhile is inoperative, for an appeal to superior agency authority.

Since no rule specifies that the initial decision of the administrative law judge shall be inoperative, a sentence should be added to the end of 37 CFR § 10.154(a) stating that pending an appeal to the Commissioner in accordance with § 10.155 the decision of the administrative law judge will be inoperative. This would assure compliance with 5 U.S.C. 704 and remove any concern by practitioners subject to disciplinary proceedings that the initial decision has any binding effect prior to action by the Commissioner.

Response: The suggestion has not been adopted since it is not necessary. The above-quoted language from 5 U.S.C. 704 first appeared as part of section 10(c) of the original Administrative Procedure Act, 5 U.S.C. 1009(c) (Act of June 11, 1946, ch.

324, § 10(c), 60 Stat. 243). The meaning of the language in that section is explained in the Attorney General's Manual on the Administrative Procedure Act (1947) at 101-05. The purpose of the language quoted in the comment was to provide for judicial review at the time when agency action becomes operative, rather than at some later time, such as when further review available in the agency became exhausted. Under the regulatory scheme for review following an initial decision in a PTO disciplinary proceeding, agency action—i.e., imposition of discipline on a practitioner before the Office—cannot become operative before 20 days after the date of entry of the Commissioner's decision under 37 CFR § 10.156(a) or, if a request for reconsideration has been filed within those 20 days, before the date of entry of the decision on reconsideration under 37 CFR § 10.156(c). In other words, the initial decision cannot become operative until such time that judicial review becomes available to the affected practitioner. The suggested change to 37 CFR § 10.154(a) is, hence, unnecessary.

Comment: The evidence upon which the General Counsel has certified to the Chief Counsel for Advocacy, Small Business Administration that this proposed rule change is not expected to have a significant adverse economic impact on a substantial number of small entities has not been disclosed to the public for review and comment.

Response: No law requires that such evidence, if any, be disclosed to the public for review and comment. See 5 U.S.C. 605(b). The basis for the certification was that the proposed rule changes would merely make explicit what was implicitly intended by the rules as originally constituted.

Comment: The proposed rule change will have a significant adverse economic impact on a substantial number of small entities because it prolongs the time for judicial review for a person who has been refused registration to practice before the Office.

Response: Both the proposed rule changes and the rules affected thereby relate solely to practitioners already registered or otherwise permitted to practice before the Office and who have been subject to a PTO disciplinary proceeding. The rules and rule changes have no impact, economic or otherwise, on persons refused registration or permission to practice before the Office.

Other Considerations

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel has certified to the Chief Counsel for Advocacy, Small Business Administration that this rule change is not expected to have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354) because it merely makes explicit what was implicitly intended by the rules as originally constituted. Additionally, no more than a few small entities in a given year out of over 13,000 registered patent attorneys and agents and an unknown number of trademark attorneys are expected to be subject to an initial decision in a PTO disciplinary proceeding. Whatever the number of small entities, however, there would not be expected to be a significant impact on them because agency action does not take effect until after a final decision is made by the Commissioner.

The Patent and Trademark Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increases in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

This rule change does not contain a collection of information subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

List of Subjects in 37 CFR Part 10

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Trademarks.

For the reasons set out in the preamble and under the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, the Patent and Trademark Office amends 37 CFR Part 10 as follows:

PART 10-REPRESENTATION OF OTHERS BEFORE THE PATENT AND TRADEMARK OFFICE

1. The authority citation for 37 CFR Part 10 continues to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

2. Section 10.155 is amended by adding new paragraph (d) as follows:

§ 10.155 Appeal to the Commissioner.

(d) In the absence of an appeal by the Director, failure by the respondent to appeal under the provisions of this section shall be deemed to be both acceptance by the respondent of the initial decision and waiver by the respondent of the right to further administrative or judicial review.

3. Section 10.157 is amended by revising paragraph (a) as follows:

§ 10.157 Review of Commissioner's final decision

(a) Review of the Commissioner's final decision in a disciplinary case may be had, subject to § 10.155(d), by a petition filed in the United States District Court for the District of Columbia. See 35 U.S.C. 32 and Local Rule 213 of the United States District Court for the District of Columbia.

May 26, 1989

DONALD J. QUIGG
Assistant Secretary and
Commissioner of Patents
and Trademarks.

[1104 OG 20]

(184) Department of Commerce
Patent and Trademark Office
37 CFR {g49 1.15
[Docket No. 80515 - 8209]

Requests for Identifiable Records

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: This final rule sets forth changes that the Patent and Trademark Office (PTO) is making to the rules governing requests for records not disclosed to the public as part of the regular informational activity of the PTO. The prior rule sets out the PTO Freedom of Information Act (FOIA) procedures. The final rule updates these procedures and specifies that FOIA requests will be processed in accordance with Department of Commerce regulations contained in Part 4 of 15 CFR (Public Information).
Effective Date: Dec. 30, 1988.

For Further Information Contact: Albin F. Drost by telephone at (703) 557-4035 or by mail marked to his attention and addressed to Box 8, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: As presently written, 37 CFR 1.15 describes procedures for obtaining documents under the Freedom of Information Act that have been superseded. The purpose of this rule change is to bring the PTO FOIA procedures into conformity with the Department of Commerce FOIA rules. The

final rule directly advises requesters that the PTO will follow the Department of Commerce rules for disclosure of information under FOIA.

A notice of proposed rulemaking was published on July 19, 1988 (53 Fed. Reg. 27 177). Interested parties were requested to submit written comments on or before Sept. 20, 1988. No comments were received.

Other Considerations

This rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources. This rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Small Business Administration that the rule change will not have a significant adverse economic impact on a substantial number of small entities [Regulatory Flexibility Act, Pub. L. 96-354] because no increase in fees or paperwork should result from this rule change.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12991. The annual effect to the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, federal, state or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The PTO has also determined that this notice has no federalism implications affecting the relationship between the National Government and the states as outlined in Executive Order 12612.

The rule change will not impose a burden under the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501 et seq., since no record keeping or reporting requirement within the coverage of the Act are placed upon the public.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of Information, Records.

For the reasons set out in the preamble and under the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. § 6, the Patent and Trademark Office amends Title 37 of the Code of Federal Regulations as set forth below:

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

AUTHORITY: 35 U.S.C. § 6 unless otherwise noted.

2. Section 1.15 is revised as follows:

§ 1.15 Requests for identifiable records.

(a) Requests for records, not disclosed to the public as part of the regular informational activity of the Patent and Trademark Office and which are not otherwise dealt with in the rules in this part, shall be made in writing, with the envelope and the letter clearly marked "Freedom of Information Request." Each such request, so marked, should be submitted by mail addressed to the "Patent and Trademark Office, Freedom of Information Request Control Desk, Box 8, Washington, D.C. 20231," or hand delivered to the Office of the Solicitor, Patent and Trademark Office, Arlington, Virginia. The request will be processed in accordance with the procedures set forth in Part 4 of Title 15, Code of Federal Regulations.

(b) Any person whose request for records has been initially denied in whole or in part, or has not been timely determined, may submit a written appeal as provided in § 4.8 of Title 15, Code of Federal Regulations.

(c) Procedures applicable in the event of service of process or in connection with testimony of employees on official matters

and production of official documents of the Patent and Trademark Office in civil legal proceedings not involving the United States shall be those established in parts 15 and 15a of Title 15, Code of Federal Regulations.

Nov. 21, 1988

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

[1097 OG 15]

(185) **Patent Cooperation Treaty Update
Ratification by Ireland**

The United States Patent and Trademark Office has received notification from the World Intellectual Property Organization that Ireland deposited its instrument of ratification to the Patent Cooperation Treaty (PCT) on 01 May 1992. Ireland became the 50th Contracting State of the PCT on 01 August 1992. Consequently, nationals and residents of Ireland are entitled to file international applications on and after 01 August 1992, and from the same date it is possible to file international applications designating Ireland. The designation of Ireland has the effect of an indication of the wish to obtain a European patent for Ireland

under the European Patent Convention (EPC); a national (Irish) patent cannot be obtained through an international application.

Accession by Portugal

The United States Patent and Trademark Office has received notification from the World Intellectual Property Organization that Portugal deposited its instrument of accession to the Patent Cooperation Treaty (PCT) on 24 August 1992. Portugal will become the 51st Contracting State of the PCT on 24 November 1992. Consequently, nationals and residents of Portugal are entitled to file international applications on and after 24 November 1992, and from the same date it is possible to file international applications designating Portugal.

Accession by New Zealand

The United States Patent and Trademark Office has received notification from the World Intellectual Property Organization that New Zealand deposited its instrument of accession to the Patent Cooperation Treaty (PCT) on 01 September 1992. New Zealand will become the 52nd Contracting State of the PCT on 01 December 1992. Consequently, nationals and residents of New Zealand are entitled to file international applications on and after 01 December 1992, and from that date it is possible to file international applications designating New Zealand.

Listing of PCT Member Countries

Country	Ratification or Accession	Date of Ratification or Accession	Effective Date
(1) Central African Republic*	Accession	15 September 1971	01 June 1978
(2) Senegal*	Ratification	08 March 1972	01 June 1978
(3) Madagascar	Ratification	27 March 1972	01 June 1978
(4) Malawi	Accession	16 May 1972	01 June 1978
(5) Cameroon*	Accession	15 March 1973	01 June 1978
(6) Chad*	Accession	12 February 1974	01 June 1978
(7) Togo*	Ratification	28 January 1975	01 June 1978
(8) Gabon*	Accession	06 March 1975	01 June 1978
(9) United States of America	Ratification	26 November 1975	01 June 1978
(10) Germany, Federal Republic of**	Ratification	19 July 1976	01 June 1978
(11) Congo*	Accession	08 August 1977	01 June 1978
(12) Switzerland**	Ratification	14 September 1977	01 June 1978
(13) United Kingdom**	Ratification	24 October 1977	01 June 1978
(14) France**	Ratification	25 November 1977	01 June 1978
(15) Russian Federation	Ratification	29 December 1977	01 June 1978
(16) Brazil	Ratification	09 January 1978	01 June 1978
(17) Luxembourg**	Ratification	31 January 1978	01 June 1978
(18) Sweden**	Ratification	17 February 1978	01 June 1978
(19) Japan	Ratification	01 July 1978	01 October 1978
(20) Denmark**	Ratification	01 September 1978	01 December 1978
(21) Austria**	Ratification	23 January 1979	23 April 1979
(22) Monaco	Ratification	22 March 1979	22 June 1979
(23) Netherlands**	Ratification	10 April 1979	10 July 1979
(24) Romania	Accession	23 April 1979	23 July 1979
(25) Norway	Ratification	01 October 1979	01 January 1980
(26) Liechtenstein**	Accession	19 December 1979	19 March 1980
(27) Australia	Accession	31 December 1979	31 March 1980
(28) Hungary	Ratification	27 March 1980	27 June 1980
(29) Democratic People's Republic of Korea (North Korea)	Accession	08 April 1980	08 July 1980
(30) Finland	Ratification	01 July 1980	01 October 1980
(31) Belgium**	Ratification	14 September 1981	14 December 1981
(32) Sri Lanka	Accession	26 November 1981	26 February 1982
(33) Mauritania*	Accession	13 January 1983	13 April 1983
(34) Sudan	Accession	16 January 1984	16 April 1984
(35) Bulgaria	Accession	21 February 1984	21 May 1984
(36) Republic of Korea (South Korea)	Accession	10 May 1984	10 August 1984
(37) Mali*	Accession	19 July 1984	19 October 1984
(38) Barbados	Accession	12 December 1984	12 March 1985
(39) Italy**	Ratification	28 December 1984	28 March 1985
(40) Benin*	Accession	26 November 1986	26 February 1987
(41) Burkina Faso*	Accession	21 December 1988	21 March 1989
(42) Spain**	Accession	16 August 1989	16 November 1989
(43) Canada	Ratification	02 October 1989	02 January 1990

(44) Greece**	Accession	09	July 1990	09	October 1990
(45) Poland	Accession	25	September 1990	25	December 1990
(46) Cote d'Ivoire*	Ratification	31	January 1991	30	April 1991
(47) Guinea*	Accession	27	February 1991	27	May 1991
(48) Mongolia	Accession	27	February 1991	27	May 1991
(49) Czechoslovakia	Accession	20	March 1991	20	June 1991
(50) Ireland**	Ratification	01	May 1992	01	August 1992
(51) Portugal**	Accession	24	August 1992	24	November 1992
(52) New Zealand	Accession	01	September	01	December 1992

*Members of African Intellectual Property Organization (OAPI) regional patent system. Only regional patent protection is available for OAPI countries. A designation of any country is an indication that all OAPI countries have been designated. Only one designation fee is due regardless of the number of OAPI member countries designated.

**Member of European Patent Convention (EPC) regional patent system. Either national or European patents for member countries are available through PCT, except for France, Belgium, Italy, Ireland and Greece for which only European patents are available if PCT is used. Note: Only one PCT designation fee is due if European regional patent protection is sought for one, several or all EPC member countries under the PCT.

Sept. 4, 1992
DOUGLAS B. COMER
*Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks*

[1142 OG 66]

(186) Minimum Requirements for Acceptance of Applications Under 35 U.S.C. 371 (the National Stage of PCT)

The Patent and Trademark Office is continuing to receive application papers which do not clearly identify whether the papers (1) are being submitted to enter the national stage of the Patent Cooperation Treaty (PCT) under 35 U.S.C. 371 or (2) are being filed as a regular national application under 35 U.S.C. 111.

Attention is directed to the notice in the Official Gazette at 1070 O.G. 11 titled "Unity of Invention Practice in International Applications and National Phase Applications Entered Under 35 U.S.C. 371" wherein at item eight it is stated

"(8) Applicants should clearly indicate on all application papers filed for entry under 35 U.S.C. 371 and 37 CFR 1.61 that the filing is being made under 35 U.S.C. 371. Otherwise, the application papers will be treated as having been filed under 35 U.S.C. 111."
To clearly indicate an international application is being filed under 35 U.S.C. 371 the applicant should use the "Transmittal Letter for United States Designated Office" (Form PTO-1390) as the transmittal letter.

Alternatively, one of the following indications may be used:

1) the applicant shall clearly state in the transmittal or cover letter that he or she is filing under 35 U.S.C. 371 or entering the national stage under the PCT; or

2) the applicant clearly identifies in the oath or declaration the specification to which it is directed by referring to a particular international application by PCT Serial Number and International Filing Date and that he or she is executing the declaration as, and seeking a U.S. Patent as, the inventor of the invention described in the identified international application.

Applicants are cautioned that the identification of the international application, in the oath or declaration or otherwise, as a prior filed application for priority purposes is not considered to be an indication of an intention to file under 35 U.S.C. 371.

If there are any conflicting instructions as to which section of the statute (371 or 111) is intended the application will be accepted under 35 U.S.C. 111. It is strongly recommended that applicant use the Form PTO-1390 in all cases where a filing under 35 U.S.C. 371 is intended.

Mar. 16, 1987.
RENE D. TEGTMEYER,
*Assistant Commissioner
for Patents.*

[1077 OG 13]

(187) Patent Cooperation Treaty: Implementing

Legislation and Withdrawal of the Reservation to Chapter II.

On Oct. 9, 1986, the U.S. Senate gave its advice and consent to withdrawal by the United States of its declaration not to be bound by chapter II of the Patent Cooperation Treaty (PCT). Public Law 99-616, that amends title 35, United States Code, to implement U.S. adherence to PCT chapter II was enacted on Nov. 6, 1986.

On Apr. 1, 1987, the President notified the Director General of the World Intellectual Property Organization of the withdrawal of the declaration by the United States. As the withdrawal takes effect three months after the date of notification, the United States will be bound by the provisions of PCT chapter II on July 1, 1987.

A notice of proposed rulemaking concerning PCT chapter II was published in the Federal Register on Mar. 4, 1987 (52 Fed. Reg. 6696) and was reprinted in the Official Gazette on Mar. 17, 1987, (1076 OG 29). The text of the President's notification and of Public Law 99-616 are reprinted below.

Apr. 13, 1987.
DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents
and Trademarks.*

NOTIFICATION

RONALD REAGAN

**PRESIDENT OF THE UNITED STATES OF
AMERICA**

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

CONSIDERING THAT:

The Patent Cooperation Treaty, with Regulations, done at Washington June 19, 1970, was signed by the United States on that date and ratified by the United States on November 27, 1973, subject to three declarations, in pursuance of the advice and consent of the Senate;

The United States deposited its instrument of ratification with the Director General of the World Intellectual Property Organization on November 26, 1975, and the Treaty entered into force for the United States on January 24, 1978;

At the request of the President, the Senate of the United States of America by its resolution of October 9, 1986, two-thirds of the Senators present concurring therein, gave its advice and consent to withdraw one of the declarations made when the United States deposited its instrument of ratification, to wit, under Article 64(1)(a), the United States would not be bound by the provisions of Chapter II of the Treaty;

NOW, THEREFORE, I, Ronald Reagan, President of the United States of America, hereby give notice and confirm the withdrawal of the declaration by the United States regarding Chapter II of the said Treaty.

IN TESTIMONY WHEREOF, I have signed this instrument withdrawing the said declaration and caused the seal of the United States of America to be affixed.

DONE at the city of Washington this twenty-seventh day of March in the year of our Lord one thousand nine hundred eighty-seven and of the Independence of the United States of America the two hundred eleventh.

By the President: Ronald Reagan

George P. Shultz
Secretary of State

Public Law 99-616
99th Congress

An Act

To amend the patent laws implementing the Patent Cooperation Treaty.

Nov. 6, 1986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Act to authorize the United States to participate in chapter II of the Patent Cooperation Treaty".

[S.1230]
35 USC 351 note.

28 UST 7645.

SEC. 2. (a) Section 351(a) of title 35, United States Code, is amended by striking out " , excluding chapter II thereof".

(b) Section 351(b) of title 35, United States Code, is amended by striking out "excluding part C thereof".

(c) Section 351(g) of title 35, United States Code, is amended by—

- (1) striking out "term" and inserting in lieu thereof "terms";
- (2) inserting "and 'International Preliminary Examining Authority'" after "Authority"; and
- (3) striking out "means" and inserting in lieu thereof "mean".

(d) Section 361(d) of title 35, United States Code, is amended to read as follows:

"(d) The international fee, and the transmittal and search fees prescribed under section 376(a) of this part, shall either be paid on filing of an international application or within such later time as may be fixed by the Commissioner."

SEC. 3. The item relating to section 362 in the analysis for chapter 36 of title 35, United States Code, is amended to read as follows:

"362. International Searching Authority and International Preliminary Examining Authority."

SEC. 4. Section 362 of title 35, United States Code, is amended to read as follows:

§ 362. International Searching Authority and International Preliminary Examining Authority

"(a) The Patent and Trademark Office may act as an International Searching Authority and International Preliminary Examining Authority with respect to international applications in accordance with the terms and conditions of an agreement which may be concluded with the International Bureau, and may discharge all duties required of such Authorities, including the collection of handling fees and their transmittal to the International Bureau.

"(b) The handling fee, preliminary examination fee, and any additional fees due for international preliminary examination shall be paid within such time as may be fixed by the Commissioner."

SEC. 5. Section 364(a) of title 35, United States Code, is amended by—

- (a) striking out "or", first occurrence and inserting in lieu thereof " ,";
- (b) inserting "International Preliminary Examining Authority" after "Authority, or"; and
- (c) striking out "both".

SEC. 6. Section 368(c) of title 35, United States Code, is amended by—

- (a) striking out the second occurrence of "or" and inserting in lieu thereof " ,", and
- (b) striking out "both" and inserting in lieu thereof "International Preliminary Examining Authority".

SEC. 7. (a) Section 371(a) of title 35, United States Code, is amended to read as follows:

"(a) Receipt from the International Bureau of copies of international applications with any amendments to the claims, international search reports, and international preliminary examination reports including any annexes thereto may be required in the case of international applications designating or electing the United States."

(b) Section 371(b) of title 35, United States Code, is amended to read as follows:

"(b) Subject to subsection (f) of this section, the national stage shall commence with the expiration of the applicable time limit under article 22 (1) or (2), or under article 39(1)(a) of the treaty".

(c) Section 371(c)(4) of title 35, United States Code, is amended by striking the "." and inserting in lieu thereof " ,".

(d) Section 371(c) of title 35, United States Code, is amended by adding at the end thereof the following new paragraph (5):

"(5) a translation into the English language of any annexes to the international preliminary examination report, if such annexes were made in another language."

(e) Section 371(d) of title 35, United States Code, is amended by adding at the end thereof the following sentence: "The requirement of subsection (c)(5) shall be complied with at such time as may be fixed by the Commissioner and failure to do so shall be regarded as cancellation of the amendments made under article 34(2)(b) of the treaty"

(f) Section 371(e) of title 35, United States Code, is amended by inserting "or article 41" after "28"

SEC. 8.(a) Section 376(a) of title 35, United States Code, is amended by—

- (1) inserting "and the handling fee" after the first occurrence of "fee";
- (2) striking "amount is" and inserting in lieu thereof "amounts are";
- (3) redesignating paragraph (5) as paragraph (6); and
- (4) inserting the following new paragraph (5):

"(5) A preliminary examination fee and any additional fees (see section 362(b))."

(b) Section 376(b) of title 35, United States Code, is amended by—

- (1) inserting "and the handling fee" after the first occurrence of "fee" in the first sentence; and
- (2) inserting "the preliminary examination fee and any additional fees," after "fee," in the third sentence.

SEC. 9. Sections 2 through 8 of this Act shall come into force on the same day as the effective date of entry into force of chapter II of the Patent Cooperation Treaty

Effective date.
35 USC note.

with respect to the United States, by virtue of the withdrawal of the declaration under article 64(1)(a) of the Patent Cooperation Treaty. It shall apply to all international applications pending before or after its effective date.

28 UST 7645.

Approved Nov. 6, 1986.

LEGISLATIVE HISTORY—S. 1230:

SENATE REPORTS: No. 99-275 (Comm. on the Judiciary).
CONGRESSIONAL RECORD, Vol. 132 (1986):

Oct. 16, considered and passed Senate.

Oct. 17, considered and passed House.

[1078 OG 10-13]

(188) **Department of Commerce**
Patent and Trademark Office
37 CFR Parts 1 and 10
[Docket No. 920539-2139]
RIN: 0651-AA51

Revision of Patent Cooperation Treaty Provisions

Agency: Patent and Trademark Office, Commerce

Action: Notice of proposed rulemaking

Summary: The Patent and Trademark Office (Office) proposes (1) to amend the rules of practice relating to applications filed under the Patent Cooperation Treaty (PCT) in accordance with revised regulations under the PCT; (2) to bring the rules regarding applications entering the national stage under 35 U.S.C. 371 more in line with existing regulations applicable to national applications filed under 35 U.S.C. 111; and (3) to clarify existing practice under the PCT. The proposed changes will result in more streamlined and simplified procedures for filing and prosecuting international and national stage applications under the PCT.

Dates: Written comments must be submitted on or before July 31, 1992.

Addresses: Address written comments to the Commissioner of Patents and Trademarks, Box PCT, Washington, D.C. 20231, Attention: Vincent Turner, CP-6, Room 1205 or by Fax to (703) 305-8825.

For Further Information Contact: Vincent Turner by telephone at (703) 305-3174 or by mail marked to his attention and addressed to the Commissioner of Patents and Trademarks, Box PCT, Washington, D.C. 20231.

Supplementary Information: This proposed rule change will improve filing and processing procedures for applicants both in the filing of international applications and in the filing of national stage applications under 35 U.S.C. 371.

During the first 14 years under the PCT, the annual volume of international patent applications filed in the U.S. Receiving Office has increased from just under 100 to almost 10,000 in fiscal year 1991. The volume of U.S. national stage applications has shown similar growth to the point that the U.S. is now designated more than 10,000 times each year by applicants filing international applications under the PCT. Historically, approximately 60% of those applicants that designate the U.S. enter the national stage in the United States.

On July 8 to 12, 1991, representatives of the patent offices of the member countries, in a series of meetings held in Geneva, Switzerland, agreed upon several changes to the PCT regulations which are designed to make the PCT more user- friendly. These adopted changes require corresponding changes in Title 37, CFR.

Under the present regulations, an applicant is required on filing the international application to specify all designations of countries, or regions of countries (regions), in which a patent is sought. Failure to designate a member country, or region, on filing, results in the loss of the right to file in the desired country, or region, using the benefits of the Treaty. The practice under the revised PCT regulations will permit an applicant to provide a generic designation of all PCT member countries and regions so that any intended designation which may have been overlooked

on filing can be corrected within 15 months of the priority date. International applications are searched and published prior to the 20-month deadline for entry into the national stage. If a demand for examination is filed before expiration of 19 months from the priority date, the time for entry into the national stage is extended to 30 months and the international application will be subject to preliminary examination under Chapter II of the PCT. Under the present regulations preliminary examination may be based on an amendment which accompanies the demand. Amendments filed after the demand are not considered. The practice under the revised PCT regulations permits an applicant to indicate in the demand that preliminary examination is to be based on an accompanying Article 34 amendment and, if the amendment is not received with the demand, the applicant will be notified and given a time period within which to file the missing amendment. This new on the desired Article 34 amendment.

Also, the Office is aware that certain applicants have had difficulty in properly filing national stage applications due to the different requirements in the rules for PCT and U.S. national applications. Some differences cannot be avoided due to different procedures required under the PCT from U.S. national practice. It is desirable, however, to minimize these differences and to simplify national stage filing procedures.

International applications have become abandoned for failure to timely provide an oath or declaration, a filing fee and/or an accurate translation. In national practice under 35 U.S.C. 111, if any of these items were not presented at the time of filing, a notice would be mailed to the applicant setting a period of time to provide the missing item(s) and to pay a fee. The proposed amendments to the rules governing entering the national stage will establish a greater degree of uniformity of practice and requirements for filing an application under 35 U.S.C. 111 and entering the national stage in an international application under 35 U.S.C. 371.

The proposal to amend sections 1.494 and 1.495 would result in regulations much like the present section 1.53. The major exception would be that a notification of any missing parts in proposed sections 1.494 and 1.495 would only be mailed in those instances where the applicant has paid the national stage filing fee within 20 or 30 months from the priority date, depending on whether election of the U.S. under Chapter II of the PCT has been made prior to 19 months. Paying the fee will give a clear indication to the Office that the applicant desires to enter the national stage and that a period of time should be set to supply any missing oath, declaration or translation. At the same time, the applicant will have the opportunity to inform the Office of the U.S. correspondence address. Thus, the Office will avoid unnecessary handling of approximately 40% of those applications that designate the U.S. but do not enter the national stage, and will be able to send a notice to a U.S. correspondence address in most cases. Often at 20 or 30 months from the priority date, the only communication which has been received by the Office is a copy of the international application from the International Bureau with the address of the foreign attorney who represented the applicant in the international stage. The foreign attorney or agent may not be conversant in English or knowledgeable about U.S. practice, factors which often contribute to complicating the processing of applications. Thus, the proposed practice will have

several advantages: (1) it will enable the applicant to identify the U.S. attorney or agent for correspondence from the Office; (2) the Office, after a check of the national stage papers at 20 or 30 months, will mail a notice identifying any deficiencies and affording applicant a period for correction of those deficiencies; and (3) as in national practice under section 1.53, it will enable applicants to extend the period of time under section 1.136 for submission of a proper oath, declaration or translation.

The proposed changes to sections 1.494 and 1.495 address the problems which have been most frequently encountered. By far, the greatest hurdle for entry into the national stage has been submission of the oath or declaration by the 22 or 32 month deadline. There is no opportunity for extension beyond 22 or 32 months. Similarly, submission of the translation within these time limits has posed a problem for many applicants. The proposed practice of notifying applicants of deficiencies and setting an extendable period of time for correction would allow applicants greater flexibility in the time for submission of these documents, thus avoiding the consequence of abandonment and potential loss of rights in the United States.

Discussion of Specific Rules

The following is a table correlating PCT Rule changes with proposed 37 CFR changes. Sections 1.431(b)(1), 1.431(b)(3)(ii), 1.451(a), 1.482(a)(2)(i), 1.492(e), 1.494 and 1.495, which are proposed to be amended, are not shown in the table because they are changes being proposed that are not required by PCT rule changes.

Rule Correlation Table

37 CFR Change	PCT Rule Change
1.431(c)-(e)	16bis, 27.1
1.432(a)	4.1(b)(iv), 4.9
1.432(b)	5.5, 16bis
1.432(c)	15.5
1.434(a)	3.1
1.445(a)(4)	15.5
1.446(d)	15.6, 16.2
1.446(e)	57.6
1.455(a)	90, 2.2bis
1.475	13
1.476(a)	13
1.480(b)	53.1
1.482(b)	57.5
1.484(b)	60.1(g), 66, 69.1
1.485	60.1(g)
1.487	13
1.488(a)	13
1.499	13
1.821(h)	13ter.1(c)
0.9(c)	90

Section 1.431(b)(1), if amended as proposed, would clarify that, for an international filing date to be accorded, at least one applicant (rather than all applicants) must be a resident or national of the United States and the papers as filed must so indicate. The only way the United States Receiving Office can determine whether, as required by Article 11, "the applicant does not obviously lack" the requisite residence or nationality is by inspection of the papers as filed. Accordingly, in order to be accorded an international filing date by the U.S. Receiving Office, the papers must indicate a U.S. residency or nationality of at least one applicant.

Section 1.431(b)(3)(ii), if amended as proposed, would add a cross-reference to section 1.432 which sets forth the requirements regarding designations.

Section 1.431(c), if amended as proposed, would reflect that the United States Receiving Office, rather than the International Bureau, will be responsible for collecting fees not paid in full at the time of filing the international application or within one month thereafter. These fees are not new. The proposed change merely reflects that the Receiving Office, rather than the International Bureau, will be responsible for communicating deficiency notices to the applicant. Under the procedure proposed in para-

graph (c), a notice of any fee deficiency will be mailed by the Receiving Office setting a time period of one month for payment of the fee deficiency and a late payment fee equal to the greater of (1) 50% of the amount of the deficient fees up to a maximum amount equal to the basic fee, or (2) an amount equal to the transmittal fee. The time period of one month for response to this notice cannot be extended.

Section 1.431(d), if amended as proposed, will be eliminated as unnecessary since the United States Receiving Office will take over the responsibility for collecting fees in place of the International Bureau.

Section 1.431(e), if amended as proposed, would be redesignated as 1.431(d) and would clarify that the failure to timely pay the fees pursuant to paragraph (c) will result in the withdrawal of the international application.

Section 1.432(a), if amended as proposed, would clarify that the applicant must specify, on filing, at least one state or region in order to be granted a filing date for the international application. This specific designation is required whether or not all designations are indicated pursuant to paragraph (c) of this section. The reference to Section 201 of the Administrative Instructions is proposed to be changed to Section 115 to correspond to the change in the Administrative Instructions.

Section 1.432(b), if amended as proposed, would establish a procedure for the late payment of fees for designations that were specified on filing an international application, and a procedure, pursuant to PCT rule 16bis.1(c), in accordance with section 321 of the PCT Administrative Instructions for allocating fees, where the amount paid is insufficient to cover all the fees. The payment of the designation fees with a late payment fee is not new. Under the revised PCT regulations, however, the Receiving Office, rather than the International Bureau, will be responsible for communicating deficiency notices to the applicant. The designation fees may be paid, without necessity for a late payment fee, within one year from the priority date or within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date. As proposed the applicant would be notified and given one month within which to pay any deficient designation fees plus a late payment fee. The amount of the late payment fee is equal to 50% of the deficient fees, but will not be less than the amount of the transmittal fee (currently \$190) and will not exceed the amount of the basic fee (currently \$525). The one-month time limit for payment of the deficient designation fees and late payment fee may not be extended. If, after expiration of the one-month time period, at least one designation fee has not been paid (with any late payment fee which is due), the international application will be withdrawn. If, after expiration of the one-month time period, at least one designation fee has been paid (with any late payment fee which is due) but the amount paid is not sufficient to cover all the designation fees or late payment fee, the amount paid will be allocated, pursuant to PCT rule 16bis.1(c), in accordance with section 321 of the Administrative Instructions. Section 321 of the Administrative Instructions provides that the amount will be allocated in accordance with any instructions received from the applicant or, if no instructions have been received, in the order in which the designations appear in the request part of the international application. Unpaid designations will be withdrawn.

Section 1.432(c), if added as proposed, would establish a procedure wherein, in addition to the designation(s) under paragraph (a), the applicant could indicate, on filing, all designations permitted under the Treaty and confirm desired designations of countries or regions up to 15 months from the priority date. The confirmation must include both a written notice of the countries or regions being confirmed, the appropriate designation fees and a confirmation fee based on the number of countries or regions being confirmed. If the amount of the fees is insufficient, the Receiving Office will allocate the amount paid in accordance with any priority of designations specified by the applicant or, if no priority is specified, in accordance with section 321 of the Administrative Instructions. A notice reminding applicant of the 15-month deadline will not be provided. Unconfirmed designations will be considered withdrawn. Section 1.434, if amended as proposed, would allow applicants to develop their own computer-generated Request form so long as the forms comply with the requirements of sections 102(h) and (i) of the Administrative Instructions. Printed Request forms will continue to be available from the United States Patent and Trademark Office. Section 1.445(a)(4), if added as proposed, would define the confirmation

fee required for the designations confirmed under section 1.432(c). The confirmation fee is equal to 50% of the sum of the designation fees for the designations being confirmed. For example, a confirmation of four additional designations (at \$127 per designation, or \$508) would require a \$254 confirmation fee. The total amount of the fees due would be \$762, which is the sum of \$508 and \$254.

Section 1.446(d), if amended as proposed, would clarify that the international and search fees may be refunded under certain circumstances linked to whether the record copy or search copy has been transmitted to the International Bureau or International Searching Authority, respectively. The transmittal fee will not be refunded, but will be retained to cover Office processing costs. If the record copy or search copy has been transmitted, the Receiving Office cannot refund or authorize the refund of the international or search fees. Any request for a refund filed after the record copy or search copy has been transmitted should be directed to the International Bureau (for the international fee) or the International Searching Authority (for the international search fee) for consideration of whether a refund should be made.

Section 1.446(e), if added as proposed, would indicate that a refund of the handling fee by the International Preliminary Examining Authority is permitted only in the situations where the demand is considered not to have been submitted or upon withdrawal of the demand before the demand has been sent to the International Bureau. If the demand has been sent to the International Bureau, requests for refund of the handling fee should be directed to the International Bureau. Section 1.451(a), if amended as proposed, would clarify that in order to be entitled to the priority of a previously filed application, the priority claim must be made in the international application papers as filed. The right to priority is not necessarily lost if the claim is not on the Request *per se*, but will be lost if the claim does not appear in the papers presented on filing of the application.

Section 1.455(a), if amended as proposed, would clarify that the term "common representative" means an applicant appointed as the representative of the other applicants. The paragraph would also clarify who can represent applicants in an international application before the U.S. International Searching Authority or the U.S. International Preliminary Examining Authority, e.g., (1) an attorney or agent registered to practice before the Office, and (2) an attorney or agent not registered to practice before the Office, but authorized to practice before the national office with which the international application was filed and for which the United States is an International Searching Authority or International Preliminary Examining Authority. In the latter case, representation is restricted to practicing before the U.S. International Searching Authority and/or the U.S. International Preliminary Examining Authority. For example, if an international application is filed in the Brazilian Patent Office, an agent authorized to practice before the Brazilian Patent Office may prosecute that application before the U.S. International Searching Authority or the U.S. International Preliminary Examining Authority. Paragraph (a) would also provide that, unless otherwise indicated, the appointment of an attorney or agent revokes any earlier appointment as specified in PCT Rule 90.6(b).

Section 1.475, if amended as proposed, would adopt the unity of invention principles of PCT Rule 13, as amended. Section 1.475 is further proposed to be amended to reflect that the same unity of invention principles are applied by the international searching and preliminary examining authorities and during the national stage. Duplicative provisions in sections 1.487 and 1.499 are proposed to be deleted. The principles of unity of invention are used to determine the types of claimed subject matter and the combinations of claims to different categories of invention that are permitted to be included in a single international or national stage patent application. The basic principle is that an application should relate to only one invention or, if there is more than one invention, that applicant would have a right to include in a single application only those inventions which are so linked as to form a single general inventive concept.

Section 1.475(a), if amended as proposed, would contain both the definition of the requirement for unity of invention, and the unity of invention criteria that must be satisfied, where a group of inventions is claimed, in order to have a right to include multiple inventions in a single application. A group of inventions is linked to form a single general inventive concept where there is a technical relationship among the inventions that involves at least one common or corresponding special technical feature.

The expression "special technical features" is defined as meaning those technical features that define the contribution which each claimed invention, considered as a whole, makes over the prior art. For example, a compound is the common technical feature in an application claiming (1) the compound *per se*, (2) a method of making the compound and (3) a method of using the compound. A corresponding technical feature is exemplified by a key defined by certain claimed structural characteristics which correspond to the claimed features of a lock to be used with the claimed key. Section 1.475(b), if amended as proposed, defines several combinations of different categories of claims which always fulfill the unity of invention requirements of section 1.475(a) where the same or corresponding special technical feature is claimed. There may be other combinations of different categories of claims which fulfill the requirement for unity of invention, but the determination of unity must be made under section 1.475(a), not section 1.475(b). As proposed in section 1.475(b), a process is "specially adapted" for the manufacture of a product if the claimed process inherently produces the claimed product with the technical relationship defined in section 1.475(a) being present between the claimed process and the claimed product. The expression "specially adapted" as used in this section does not imply that the product could not also be manufactured by a different process, nor does it imply that the same kind of process of manufacture could not also be used for the manufacture of other products. As proposed in section 1.475(b), an apparatus or means is "specifically designed" for carrying out the process when the apparatus or means is suitable for carrying out the process with the technical relationship defined in section 1.475(a) being present between the claimed apparatus or means and the claimed process. The expression "specifically designed" does not imply that the apparatus or means could not be used for carrying out another process, nor does it imply that the process could not be carried out using an alternative apparatus or means.

Section 1.475(c), if amended as proposed, would require that unity of invention might not be present if a combination of categories of invention different from those described in section 1.475(b) are presented in an application. The requirements of section 1.475(a) are always met by the combinations described in section 1.475(b) where the same or corresponding special technical feature is claimed. All other combinations must be tested against the unity of invention standard of section 1.475(a). Section 1.475(d) is proposed to be amended by deleting reference to the different combinations of categories of invention that always meet the unity of invention standard (now set forth in proposed section 1.475(b)), and to make reference to the determination of the main invention where multiple products, processes of manufacture or uses are claimed. The significance of determining the main invention is set forth in section 1.476(c). Section 1.475(e), if amended as proposed, would require that the determination regarding unity of invention be made without regard to whether a group of inventions is claimed in separate claims or as alternatives within a single claim. The basic criteria for unity of invention are the same, regardless of the manner in which applicant chooses to draft a claim or claims. Section 1.475(f) is proposed to be deleted since PCT Rule 13 has been amended and the basic principles of unity of invention are proposed to be incorporated into other portions of section 1.475.

Section 1.476(a), if amended as proposed, would delete the reference to section 1.475(f) (proposed to be deleted) and PCT Rule 13.

Section 1.480(b), if amended as proposed, would allow applicants to develop their own computer generated Demand form so long as the limitations in sections 102(h) and (i) of the Administrative Instructions are met. Printed Demand forms will continue to be available from the United States Patent and Trademark Office.

Section 1.482(a)(2)(i), if amended as proposed, would clarify that an additional preliminary examination fee may be charged for lack of unity in Chapter II, irrespective of whether there was a similar charge in Chapter I. Normally there will be a charge for lack of unity both in Chapter I and in Chapter II. In some instances, although a charge for the search of an additional invention is justified in Chapter I, the examiner chooses to proceed without charging for the search of the additional invention(s). However, circumstances may change (e.g. an amendment submitted with the Demand expanding the claims to the additional invention(s)) in Chapter II so as to warrant the

examiner's requirement for an additional fee for examination of the additional invention(s).

Section 1.482(b), if amended as proposed, would remove the reference to the supplement to the handling fee which had been collected for the benefit of the International Bureau and which has been deleted from the PCT Regulations. At present, applicants must pay as many supplements to the handling fee as there are languages into which the elected Offices require translations of the international preliminary examination report. Under the new PCT Regulations, all countries will accept an English translation of the international preliminary report, thus limiting the International Bureau's translation costs. Accordingly, only one handling fee will need to be paid by the applicant, without any supplement, irrespective of the need for a translation of the report.

Section 1.484(b), if amended as proposed, would permit an applicant to indicate in the demand that international preliminary examination is to begin based on the application as amended rather than on the application as filed. If an Article 19 amendment is not received by the Office by 20 months from the priority date, preliminary examination will proceed. Where the demand indicates examination is to be based on an accompanying Article 34 amendment, but the Article 34 amendment has not been provided to the Office with the demand, the applicant will be notified and given a time period to submit the amendment. Thus, if the applicant wishes preliminary examination based on an amended version of the international application, the demand must so indicate and the amendment (Article 19 or 34) must (1) accompany the demand; or (2) in the case of an Article 19 amendment, be received by 20 months from the priority date; or (3) in the case of an Article 34 amendment, be submitted within the nonextendable time period set by the Office. Section 1.485, if amended as proposed, would be consistent with proposed section 1.484 and would provide for amendments to be filed with the demand or within a time period set by the International Preliminary Examining Authority. Section 1.487 is proposed to be removed as unnecessary because the proposed amendments to section 1.475 address the unity of invention principles to be applied by the International Preliminary Examining Authority.

Section 1.488(a), if amended as proposed, would replace the reference to section 1.487, which is proposed to be removed, with a reference to section 1.475. Section 1.492(e), if amended as proposed, would eliminate the surcharge for filing the basic national fee after 20 or 30 months from the priority date. In accordance with the new practice under proposed sections 1.494 and 1.495, the basic national fee must be filed no later than 20 months, or 30 months, if a timely election was filed, from the priority date in order to avoid abandonment of the application. If the new practice is adopted as proposed, a short transition period will be provided before the surcharge is eliminated to avoid any retroactive effect of the new practice.

Sections 1.494 and 1.495, if amended as proposed, would modify the practice for entering the national stage as a designated or elected office by more closely aligning it with national application practice under section 1.53. Section 1.494(a), if amended as proposed, would clarify that absence of a Demand form is no longer the controlling event, but rather failure to elect the United States within 19 months of the priority date will trigger the time periods set forth in paragraphs (b) and (c) of this section. Section 1.494(b), if amended as proposed, would clarify that the basic national stage filing fee and a copy of the international application must be filed with the Office by 20 months from the priority date to avoid abandonment. The International Bureau normally provides the copy of the international application to the Office in accordance with Article 20. At the same time, the International Bureau notifies the applicant of the communication to the Office. In accordance with PCT Rule 47.1, that notice shall be accepted by all designated offices as conclusive evidence that the communication has duly taken place. Thus, if the applicant desires to enter the national stage, the applicant, normally need only check to be sure the notice from the International Bureau has been received and then pay the basic national stage filing fee by 20 months from the priority date. The 20-month time limit for submission of the basic national stage filing fee and a copy of the international application is not extendable. Section 1.494(c), if amended as proposed, would provide that applicants who have provided the basic national stage filing fee and a copy of the international application by 20 months from the priority date but who omit a proper translation, oath or declara-

tion will receive a notification setting a time period for submission of the omitted requirements. The time period set in the notice can be extended pursuant to section 1.136. Filing of the oath or declaration later than 20 months will require the payment of the surcharge set forth in section 1.492(e). Filing of the translation later than 20 months will require the payment of the processing fee set forth in section 1.492(f).

Section 1.494(d), if amended as proposed, would clarify the existing practice that Article 19 amendments must be submitted by 20 months from the priority date, which time may not be extended. Of course the failure to do so does not result in loss of the subject matter of the Article 19 amendments. The applicant may submit that subject matter in a preliminary amendment filed under section 1.121. In many cases, filing an amendment under section 1.121 is preferable since grammatical or idiomatic errors may be corrected. Section 1.494(g), if amended as proposed, would be removed in view of the proposed amendments to sections (b), (c) and (d). Section 1.494(h), if amended as proposed, would be redesignated as 1.494(g) and would specify when an application that fails to enter the national stage becomes abandoned. Abandonment occurs at 20 months from the priority date if the basic national stage filing fee and a copy of the international application have not been provided to the Office. If they have been provided to the Office within 20 months and the translation and/or oath or declaration are not filed timely, abandonment occurs upon expiration of the time limit set in the notification pursuant to paragraph (c). Thus, in the latter situation, abandonment would occur at the expiration of the time period set in the notice to file the missing translation, and/or oath or declaration.

Section 1.495(a), if amended as proposed, would clarify that the election of the U.S. need not be made in the Demand, but can be made subsequently if filed before expiration of 19 months from the priority date to start the time periods set forth in paragraphs (b) and (c) of this section. Section 1.495(b), if amended as proposed, would clarify that the basic national fee and a copy of the international application must be filed with the Office by 30 months from the priority date to avoid abandonment. The International Bureau normally provides the copy of the international application to the Office in accordance with Article 20. At the same time the International Bureau notifies applicant of the communication to the Office. In accordance with PCT Rule 47.1, that notice shall be accepted by all designated offices as conclusive evidence that the communication has duly taken place. Thus, if the applicant desires to enter the national stage, the applicant normally need only check to be sure the notice from the International Bureau has been received and then pay the basic national fee by 30 months from the priority date. The 30-month time limit for submission of the basic national fee and a copy of the international application is not extendable.

Section 1.495(c), if amended as proposed, would provide that applicants who have provided the basic national fee and a copy of the international application by 30 months from the priority date but who omit a proper translation, oath or declaration will receive a notification setting a time period for submission of the omitted requirements. The time period set in the notice can be extended pursuant to section 1.136. Filing of the oath or declaration later than 30 months will require the payment of the surcharge set forth in section 1.492(e). Filing of the translation later than 30 months will require the payment of the processing fee set forth in section 1.492(f).

Section 1.495(d), if amended as proposed, would clarify the existing and continuing practice that the Article 19 amendments must be submitted by 30 months from the priority date, which time may not be extended. The failure to do so will not result in loss of the subject matter of the Article 19 amendments. Applicant may submit that subject matter in a preliminary amendment filed under section 1.121. In many cases, filing an amendment under section 1.121 is preferable since grammatical or idiomatic errors may be corrected. Section 1.495(e), if amended as proposed, would specify that a translation into English of any annexes to the international preliminary examining report which are not received by 30 months from the priority date may only be submitted within the time period set in paragraph (c) for submission of any omitted translation of the international application, or oath or declaration. If any required translation of the international application and oath or declaration have been provided to the Office by 30 months, a notice under paragraph (c) will not be sent, and if the translation of annexes is not submitted within 30

months, the annexes will be considered cancelled. Section 1.495(h), if amended as proposed, would be removed in view of the proposed amendments to sections (b), (c), (d) and (e).

Section 1.495(i), if amended as proposed, would be redesignated as 1.495(h) and would specify when an application that fails to enter the national stage becomes abandoned if the United States was elected prior to 19 months from the priority date. Abandonment occurs at 30 months from the priority date if the basic national stage filing fee and a copy of the international application have not been provided to the Office. If they have been provided to the Office within 30 months and the translation and/or oath or declaration are not filed timely, abandonment occurs upon expiration of the time limit set in the notification pursuant to paragraph (c). Thus, in the latter situation, abandonment would occur at the expiration of the time period set in the notice to file the missing translation, and/or oath or declaration.

Section 1.499 is proposed to be amended by removing paragraphs (a) through (e) because the proposed amendments to section 1.475 address the unity of invention principles to be applied in the national stage.

Section 1.821(h), if amended as proposed, would provide that if applicant fails to timely provide the required computer readable form, the United States International Searching Authority shall search only to the extent that a meaningful search can be carried out.

Section 10.9, if amended as proposed, would add a new paragraph (c) to be consistent with section 1.455, clarifying that an attorney or agent having the right to act before the national office with which the international application is filed may represent the applicant before the U.S. International Searching Authority or the U.S. International Preliminary Examining Authority. An individual who has the right to practice before the national office with which an international application is filed, and who is not registered under section 10.6, may not prosecute patent applications in the national stage in the Office.

Other Considerations:

The proposed rule changes are in conformity with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)), because the proposed rules would provide more streamlined and simplified procedures for filing and prosecuting international and national stage application under the PCT. Thus, costs to all applicants using the PCT, including small entities, would be reduced.

The Patent and Trademark Office has determined that these proposed rule changes are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Patent and Trademark Office has also determined that this notice has no federalism implications affecting the relationship between the National government and the States as outlined in Executive Order 12612.

These rule changes will not impose any additional burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. The paperwork burden imposed by adherence to the PCT is currently approved by the Office of Management and Budget under control number 0651-0021.

Notice is hereby given that pursuant to the authority granted to the Commissioner of Patents and Trademarks by 35 U.S.C. 6, the Patent and Trademark Office proposes to amend Title 37 of the Code of Federal Regulations as set forth below.

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of Information, Inventions and patents, Reporting and record keeping requirements, Small businesses.

37 CFR Part 10

Administrative practice and procedure, Inventions and patents, Lawyers, Reporting and record keeping requirements, Trademarks.

For the reasons set forth in the preamble, 37 CFR Parts 1 and 10 are proposed to be amended as follows, with removals indicated by brackets ([]) and additions by arrows (> <):

Part 1 - Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6 unless otherwise noted.

2. Section 1.431 is proposed to be amended by revising paragraphs (b)(1) through (b)(3)(ii), (c), (d) and (e) to read as follows:

§ 1.431 International application requirements.

* * * * *

(b) An international filing date will be accorded by the United States Receiving Office, at the time of receipt of the international application, provided that:

(1) >At least one< [The] applicant > (§ 1.421)< is a United States resident or national > and the papers filed at the time of receipt of the international application so indicate < (35 U.S.C. 361(a), PCT Art. 11(1)(i)).

(2) The international application is in the English language (35 U.S.C. 361(c), PCT Art. 11(1)(ii)).

(3) The international application contains at least the following elements (PCT Art. 11(1)(iii)):

(i) An indication that it is intended as an international application (PCT Rule 4.2);

(ii) The designation of at least one Contracting State of the International Patent Cooperation Union > (§ 1.432)<;

* * * * *

(c) Payment of the basic portion of the international fee (PCT Rule 15.2) and the transmittal and search fees (§ 1.445) may be made in full at the time the international application papers required by paragraph (b) of this section are deposited or within one month thereafter. >If the basic, transmittal and search fees are not paid within one month from the date of receipt of the international application, applicant will be notified and given one month within which to pay the deficient fees plus a late payment fee equal to the greater of (1) 50% of the amount of the deficient fees up to a maximum amount equal to the basic fee, or

(2) an amount equal to the transmittal fee (PCT Rule 16bis). The one-month time limit set in the notice to pay deficient fees may not be extended. < [Failure to make full payment within one month of the deposit of the international application papers required by paragraph (b) of this section will result in the fees being charged to the International Bureau under the provisions of paragraph (d) of this section and PCT Rule 16bis.]

(d) [The United States Receiving Office will charge to the International Bureau in accordance with PCT Rule 16bis and will consider as having been timely paid:

(1) The transmittal fee, the basic fee portion of the international fee, or the search fee where these fees have not been fully paid by the applicant within one month of the date of deposit of the international application,

(2) The designation fee, or the amount necessary to cover all the designations made in the request if not paid by the applicant within one year from the priority date or within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date.

(e) The International Bureau will notify applicant of any amount charged under paragraph (d) of this section and invite the applicant to pay directly to the International Bureau within one

month from the date of the notification, the amount charged, augmented by a surcharge of 50%, provided the surcharge will not be less, and will not be more, than the amounts indicated in the Schedule of Fees appended to the PCT Rules.] If the payment needed to cover the transmittal >fee [fees], the basic fee, the search fee, one designation fee and the >late payment fee pursuant to paragraph (c) of this section< [surcharge] is not timely made [to the International Bureau], [the International Bureau will notify] the Receiving Office [which] will declare the international application withdrawn under PCT Article 14(3)(a). [If the applicant makes timely payment of the fees referred to in the previous sentence, but the amount paid is not sufficient to cover all the designation fees, the Receiving Office will declare any designation not paid withdrawn under PCT Article 14(3)(b) in accordance with PCT Rule 16bis.2(c).]

3. Section 1.432 is proposed to be amended by revising paragraphs (a) and (b) and adding new paragraph (c) to read as follows:

§ 1.432 Designation of States and payment of designation fees.

(a) The >designation of< [names of Designated] States >or Regions< shall appear in the >request< [Request] upon filing and must be indicated as set forth in >PCT Rule 4.9 and Section 115< [201] of the Administrative Instructions. Applicant must specify at least one national or regional designation on filing of the international application for a filing date to be granted.

(b) >If the fees necessary to cover all the national and regional designations specified in the request are not paid by the applicant within one year from the priority date or within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date, applicant will be notified and given one month within which to pay the deficient designation fees plus a late payment fee equal to the greater of (1) 50% of the amount of the deficient fees up to a maximum amount equal to the basic fee, or (2) an amount equal to the transmittal fee (PCT Rule 16bis). The one-month time limit set in the notification of deficient designation fees may not be extended.< [The designation fees may be paid upon filing of the international application, but must be paid before the expiration of one year from the priority date or within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date. Failure to timely pay the designation fee for a particular Designated State will result in the withdrawal of that designation.] Failure to timely pay at least one designation fee will result in the withdrawal of the international application.

The one designation fee may be paid (1) within one year from the priority date, (2) within one month from the date of receipt of the international application if that month expires after the expiration of one year from the priority date, or (3) with the late payment fee defined in this paragraph within the time set in the notification of the deficient designation fees. If after a notification of deficient designation fees the applicant makes timely payment, but the amount paid is not sufficient to cover the late payment fee and all designation fees, the Receiving Office will, after allocating payment for the basic, search, transmittal and late payment fees, allocate the amount paid in accordance with PCT Rule 16bis.1(c) and withdraw the unpaid designations. The notification of deficient designation fees pursuant to this paragraph may be made simultaneously with any notification pursuant to § 1.431(c).

>(c) On filing the international application, in addition to specifying at least one national or regional designation, applicant may also indicate that all designations permitted under the Treaty are made. The latter indication is subject to confirmation (PCT Rule 4.9(c)) not later than the expiration of 15 months from the priority date by:

(1) filing a written notice with the United States Receiving Office specifying the national and/or regional designations being confirmed;

(2) paying the designation fee for each designation being confirmed; and

(3) paying the confirmation fee specified in § 1.445(a)(4). Unconfirmed designations will be considered withdrawn. If the amount submitted is not sufficient to cover the designation fee and the confirmation fee for each designation being confirmed, the Receiving Office will allocate the amount paid in accordance

with any priority of designations specified by applicant. If applicant does not specify any priority of designations, the allocation of the amount paid will be made in accordance with PCT Rule 16bis.1(c).

4. Section 1.434 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.434 The request.

(a) The request shall be made on a standardized [printed] form (PCT Rules 3 and 4). Copies of [such] printed Request forms are available from the Patent and Trademark Office. Letters requesting [such] >printed< forms should be marked "Box PCT."

5. Section 1.445 is proposed to be amended by adding new paragraph (a)(4) to read as follows:

§ 1.445 International application filing, processing and search fees.

(a)

>(4) A confirmation fee (PCT Rule 96) equal to 50% of the sum of designation fees for the national and regional designations being confirmed (§ 1.432(c)).

6. Section 1.446 is proposed to be amended by revising paragraph (d) and adding paragraph (e) to read as follows:

§ 1.446 Refund of international application filing and processing fees.

(d) The international and search fees will be refunded if no international filing date is accorded >or if the application is withdrawn before transmittal of the record copy to the International Bureau< (PCT Rules 15.6 and 16.2). >The search fee will be refunded if the application is withdrawn before transmittal of the search copy to the International Searching Authority. The transmittal fee will not be refunded.<

>(e) The handling fee (§ 1.482(b)) will be refunded (PCT Rule 57.6) only if:

(1) the demand is withdrawn before the demand has been sent by the International Preliminary Examining Authority to the International Bureau, or

(2) the demand is considered not to have been submitted (PCT Rule 54.4(a)).<

7. Section 1.451 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.451 The priority claim and priority document in an international application.

(a) The claim for priority must be made >in< [on] the >request< [Request] (PCT Rule 4.10) in a manner complying with Sections 110 and 201 of the Administrative Instructions.

8. Section 1.455 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.455 Representation in international applications.

(a) Applicants of international applications may be represented by attorneys or agents licensed to practice before the Patent and Trademark Office or by >an applicant appointed as< a common representative (PCT Art. 49, Rules 4.8 and 90 and § 10.10(a)). >An attorney or agent having the right to practice before a national office with which an international application is filed and for which the United States is an International

Searching Authority or International Preliminary Examining Authority may be appointed to represent the applicants in the international application before that authority. An attorney or agent may appoint an associate attorney or agent who shall also then be of record (PCT Rule 90.1(d)). The appointment of an attorney or agent revokes any earlier appointment unless otherwise indicated (PCT Rule 90.6(b)).<

9. Section 1.475 is proposed to be revised to read as follows:

§ 1.475 Unity of invention before the International Searching Authority >, the International Preliminary Examining Authority and during the national stage<.

(a) >An international and a national stage application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept ("requirement of unity of invention"). Where a group of inventions is claimed in an application, the requirement of unity of invention shall be fulfilled only when there is a technical relationship among those inventions involving one or more of the same or corresponding special technical features. The expression "special technical features" shall mean those technical features that define a contribution which each of the claimed inventions, considered as a whole, makes over the prior art.< [An international application before the International Searching Authority will be considered to have unity of invention if the claims are in accordance with PCT Rule 13 (see paragraph (f) of this section).]

(b) An international >or a national stage< application containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the >following< combinations of categories >< [as set forth in PCT Rule 13.2 (see paragraph (f) of this section) or to the combination of -]

(1) A product and a process >specially adapted< for the manufacture of said product >< or

(2) A product and a process of use of said product[.] >< or

(3) a product, a process specially adapted for the manufacture of the said product, and a use of the said product; or

(4) a process and an apparatus or means specifically designed for carrying out the said process; or

(5) a product, a process specially adapted for the manufacture of the said product, and an apparatus or means specifically designed for carrying out the said process. [If an application contains claims to more or less than one of the combinations of categories set forth in PCT Rule 13.2 (see paragraph (f) of this section) or a combination set forth in paragraphs (b)(1) or (2) of this section, unity of invention may not be present.]

(c) >If an application contains claims to more or less than one of the combinations of categories of invention set forth in paragraph (b) of this section, unity of invention might not be present.< [If an international application contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.]

(d) [Unity of invention will exist where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see paragraph (f) of this section) or in a combination set forth in paragraphs (b)(1) or (2) of this section.] If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the >main invention in the claims, see PCT Article 17(3)(a) and § 1.476(c).< [inventions to be searched. Any such holding by the examiner will be made of record as a holding of lack of unity of invention.]

(e) >The determination whether a group of inventions is so linked as to form a single general inventive concept shall be made without regard to whether the inventions are claimed in separate claims or as alternatives within a single claim. [The inventions recited by the claims of different categories must be related rather than independent inventions.]

(f) The wording of PCT Rule 13 is as follows:
"PCT Rule 13 - Unity of Invention"

13.1 Requirement

The international application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept ("requirement of unity of invention").

13.2 Claims of Different Categories

Rule 13.1 shall be construed as permitting, in particular, one of the following three possibilities:

(i) In addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the said product, and the inclusion in the same international application of an independent claim for a use of the said product, or

(ii) In addition to an independent claim for a given process, the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the said process, or

(iii) In addition to an independent claim for a given product, the inclusion in the same international application of an independent claim for a process specially adapted for the manufacture of the product, and the inclusion in the same international application of an independent claim for an apparatus or means specifically designed for carrying out the process.

13.3 Claims of One and the Same Category

Subject to Rule 13.1, it shall be permitted to include in the same international application two or more independent claims of the same category (i.e., product, process, apparatus, or use) which cannot readily be covered by a single generic claim.

13.4 Dependent Claims

Subject to Rule 13.1, it shall be permitted to include in the same international application a reasonable number of dependent claims, claiming specific forms of the invention claimed in an independent claim, even where the features of any dependent claim could be considered as constituting in themselves an invention.

13.5 Utility Models

Any designated State in which the grant of a utility model is sought on the basis of an international application may, instead of Rules 13.1 to 13.4, apply in respect of the matters regulated in those Rules the provisions of its national law concerning utility models once the processing of the international application has started in that State, provided that the applicant shall be allowed at least two months from the expiration of the time limit applicable under Article 22 to adapt his application to the requirements of the said provisions of the national law.]

10. Section 1.476 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.476 Determination of unity of invention before the International Searching Authority.

(a) Before establishing the international search report, the International Searching Authority will determine whether the international application complies with the requirement of unity of invention as set forth in [PCT Rule 13 (see § 1.475(f)) and] § 1.475.

11. Section 1.480 is proposed to be amended by revising paragraph (b) to read as follows:

§ 1.480 Demand for international preliminary examination.

(b) The Demand shall be made on a standardized [printed] form. Copies of [the] printed Demand forms are available from the Patent and Trademark Office. Letters requesting printed >Demand< forms should be marked "Box PCT".

12. Section 1.482 is proposed to be amended by revising paragraphs (a)(2)(i) and (b) to read as follows:

§ 1.482 International preliminary examination fees.

(a)

(2) An additional preliminary examination fee when required, per additional invention:

(i) >Where the International Searching Authority for the international application was the United States Patent and Trademark Office< [Where a supplemental search fee as set forth in § 1.445(a)(3) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority] \$140.00

(b) The handling fee is due on filing the Demand. [Any necessary supplement to the handling fee shall be paid directly to the International Bureau.]

13. Section 1.484 is proposed to be amended by revising paragraph (b) to read as follows:

§ 1.484 Conduct of international preliminary examination.

(b) >International preliminary examination will begin promptly upon receipt of a Demand which requests examination based on the application as filed, or an amendment which has been received by the United States International Preliminary Examining Authority. Where a Demand requests examination based on an Article 19 amendment which has not been received, examination may begin at 20 months without receipt of an Article 19 amendment. Where a Demand requests examination based on an Article 34 amendment which has not been received, applicant will be notified and given a time period within which to submit the amendment. Examination will begin after the earliest of:

(1) receipt of the amendment;

(2) receipt of applicant's statement that no amendment will be made, or

(3) expiration of the time period set in the notification. < No international preliminary examination report will be established prior to issuance of an international search report.

14. Section 1.485 is proposed to be revised to read as follows:

§ 1.485 Amendments by applicant during international preliminary examination.

>(a)< The applicant may make amendments at the time of filing of the Demand and within the time limit set by the International Preliminary Examining Authority for response to any >notification under § 1.484(b) or to any< written opinion. Any such amendments must -

(1) Be made by submitting a replacement sheet for every sheet of the application which differs from the sheet it replaces unless an entire sheet is cancelled >,< and

(2) Include a description of how the replacement sheet differs from the replaced sheet.

>(b)< If an amendment cancels an entire sheet of the international application, that amendment shall be communicated in a letter.

15. Section 1.487 is proposed to be removed:

[§ 1.487 Unity of Invention before the International Preliminary Examining Authority.]

(a) An international application before the International Preliminary Examining Authority will be considered to have unity

of invention if the claims are in accordance with PCT Rule 13 (see § 1.475(f)).

(b) An international application containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the combinations of categories as set forth in PCT Rule 13.2 (see § 1.475(f)) or to the combination of

(1) a product and a process for the manufacture of said product or

(2) a product and a process of use of said product. If an application contains claims to more or less than one of the combinations of categories of invention set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) or (2) of this section, unity of invention may not be present.

(c) If an international application contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.

(d) Unity of invention will exist where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) or (2) of this section. If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the inventions to be examined. Any such holding by the examiner will be made of record as a holding of lack of unity of invention.

(e) The inventions recited by the claims of different categories must be related rather than independent inventions.]

16. Section 1.488 is proposed to be amended by revising paragraph (a) to read as follows:

§ 1.488 Determination of unity of invention before the International Preliminary Examining Authority.

(a) Before establishing any written opinion or the international preliminary examination report, the International Preliminary Examining Authority will determine whether the international application complies with the requirement of unity of invention as set forth in >§ 1.475 [§ 1.487].

17. Section 1.492 is proposed to be amended by revising paragraph (e) to read as follows:

§ 1.492 National stage fees.

(e) Surcharge for filing the [basic national fee or] oath or declaration later than 20 months from the priority date pursuant to § 1.494(c) or later than 30 months from the priority date pursuant to § 1.495(c):

By a small entity (§ 1.9(f)) \$65.00
By other than a small entity \$130.00

18. Section 1.494 is proposed to be amended by revising paragraphs (a), (b), (c), (d), (g) and (h) to read as follows:

§ 1.494 Entering the national stage in the United States of America as a Designated Office.

(a) Where >the United States of America has not been elected< [no Demand has been filed with an appropriate International Preliminary Examining Authority] by the expiration of 19 months from the priority date (see § 1.495), the applicant must fulfill the requirements of PCT Article 22 and 35 U.S.C. 371 within the time periods set forth in paragraphs (b) and (c) of this section in order to prevent the abandonment of the international application as to the United States of America. International applications for which those requirements are timely fulfilled

will enter the national stage and obtain an examination as to the patentability of the invention in the United States of America.

(b) >To avoid abandonment of the application, the< [The] applicant shall furnish to the United States Patent and Trademark Office not later than the expiration of 20 months from the priority date - -

(1) a copy of the international application, unless it has been previously communicated by the International Bureau or unless it was originally filed in the United States Patent and Trademark Office; >and

(2) [a translation of the international application into the English language, if it was originally filed in another language;

(3)] the basic national fee (see § 1.492(a)) [; and

(4) an oath or declaration of the inventor (see § 1.497)].

>The 20-month time limit may not be extended.

(c) >If applicant complies with paragraph (b) of this section before expiration of 20 months from the priority date but omits (1) a translation of the international application as filed into the English language, if it was originally filed in another language (35 U.S.C. 371(c)(2)) and/or (2) the oath or declaration of the inventor (35 U.S.C. 371(c)(4); see § 1.497), applicant will be so notified and given a period of time within which to file the translation and/or oath or declaration in order to prevent abandonment of the application.< [The applicant may furnish any required English translation of the international application, the basic national fee and the oath or declaration of the inventor after 20 months but not later than the expiration of 22 months from the priority date.]

The payment of the processing fee set forth in § 1.492(f) is required for acceptance of an English translation later than the expiration of 20 months after the priority date. The payment of the surcharge set forth in § 1.492(e) is required for acceptance of the [basic national fee or the] oath or declaration of the inventor later than the expiration of 20 months after the priority date. >A copy of the notification mailed to applicant should accompany any response thereto submitted to the Office.

(d) A copy of any amendments to the claims made under PCT Article 19, and a translation of those amendments into English, if they were made in another language, must be furnished not later than the expiration of 20 months from the priority date. Amendments under PCT Article 19 which are not received by the expiration of 20 months from the priority date will be considered to be cancelled. >The 20-month time limit may not be extended.

(g) [The time limits set out in paragraphs (b), (c) and (d) of this section may not be extended pursuant to § 1.136 or otherwise.

(h) [An international application becomes abandoned as to the United States 20 months from the priority date if >the requirements of paragraph (b) of this section have not been complied with within< [a copy of the international application is not communicated to the Patent and Trademark Office prior to] 20 months from the priority date where the United States has been designated but not elected prior to 19 months from the priority date. If >the requirements of paragraph (b) of this section are complied with< [a copy of the international application is communicated] within 20 months>from the priority date but the translation and/or the oath or declaration are not timely filed,< [to the Patent and Trademark Office,] an international application will become abandoned as to the United States>upon expiration of the time period set pursuant to paragraph (c) of this section. [22 months from the priority date if the required English translation(s), fees and oath or declaration under 35 U.S.C. 371(c) are not filed within 22 months from the priority date.]

19. Section 1.495 is proposed to be amended by revising paragraphs (a), (b), (c), (d), (e), (h) and (i) to read as follows:

§ 1.495 Entering the national stage in the United States of America as an Elected Office.

(a) Where >the United States of America has been elected [a Demand has been filed with an appropriate International Preliminary Examining Authority and not withdrawn] by the expiration of 19 months from the priority date, the applicant must fulfill the requirements of 35 U.S.C. 371 within the time periods set forth in paragraphs (b) and (c) of this section in order to prevent the abandonment of the international application as to

the United States of America. International applications for which those requirements are timely fulfilled will enter the national stage and obtain an examination as to the patentability of the invention in the United States of America.

(b) >To avoid abandonment of the application the< [The] applicant shall furnish to the United States Patent and Trademark Office not later than the expiration of 30 months from the priority date - -

(1) a copy of the international application, unless it has been previously communicated by the International Bureau or unless it was originally filed in the United States Patent and Trademark Office; >and

(2) [a translation of the international application into the English language, if it was originally filed in another language;

(3)] the basic national fee (see § 1.492(a)) [; and

(4) an oath or declaration of the inventor (see § 1.497)].

>The 30-month time limit may not be extended.<

(c) >If applicant complies with paragraph (b) this section before expiration of 30 months from the priority date but omits (1) a translation of the international application, as filed, into the English language, if it was originally filed in another language (35 U.S.C. 371(c)(2)) and/or (2) the oath or declaration of the inventor (35 U.S.C. 371(c)(4)); (see § 1.497), applicant will be so notified and given a period of time within which to file the translation and/or oath or declaration in order to prevent abandonment of the application.< [The applicant may furnish any required English translation of the international application, the basic national fee and the oath or declaration of the inventor after 30 months but not later than the expiration of 32 months from the priority date.] The payment of the processing fee set forth in § 1.492(f) is required for acceptance of an English translation later than the expiration of 30 months after the priority date. The payment of the surcharge set forth in § 1.492(e) is required for acceptance of the [basic national fee or the] oath or declaration of the inventor later than the expiration of 30 months after the priority date. >A copy of the notification mailed to applicant should accompany any response thereto submitted to the Office.

(d) A copy of any amendments to the claims made under PCT Article 19, and a translation of those amendments into English, if they were made in another language, must be furnished not later than the expiration of 30 months from the priority date. Amendments under PCT Article 19 which are not received by the expiration of 30 months from the priority date will be considered to be cancelled. >The 30-month time limit may not be extended.<

(e) A translation into English of any annexes to the international preliminary examination report, if the annexes were made in another language, must be furnished not later than the expiration of 30 months from the priority date. Translations of the annexes which are not received by the expiration of 30 months from the priority date may be submitted within >any period set pursuant to paragraph (c) of this section< [32 months from the priority date] accompanied by the processing fee set forth in § 1.492(f). [Translations of the annexes] >Annexes for which translations< [which] are not timely received will be considered [to be] cancelled. The 30-month time limit may not be extended.

(h) [The time limits set out in paragraphs (b), (c), (d) and (e) of this section may not be extended pursuant to § 1.136 or otherwise.

(i) [An international application becomes abandoned as to the United States 30 months from the priority date if >the requirements of paragraph (b) of this section have not been complied with within< [a copy of the international application is not communicated to the Patent and Trademark Office prior to] 30 months from the priority date and >the United States has been elected< [a Demand for International Preliminary Examination which elected the United States of America has been filed] prior to the expiration of 19 months from the priority date. If >the requirements of paragraph (b) of this section are complied with< [a copy of the international application is communicated] within 30 months from the priority date but the translation and/or the oath or declaration are not timely filed,< [to the Patent and Trademark Office,] an international application will become abandoned as to the United States>upon expiration of the time period set pursuant to paragraph (c) of this section.< [32 months

from the priority date if the required English translation(s), fees and oath or declaration under 35 U.S.C. 371(c) are not filed within 32 months from the priority date.]

20. Section 1.499 is proposed to be revised to read as follows:

§ 1.499 Unity of invention during the national stage.

[(a) An international application which has entered the national stage by meeting the requirements of 35 U.S.C. 371 will be considered to have unity of invention if the claims are in accordance with PCT Rule 13 (see § 1.475(f)). (b) An application in the national stage containing claims to different categories of invention will be considered to have unity of invention if the claims are drawn only to one of the combinations of categories as set forth in PCT Rule 13.2 (see § 1.475(f)) or to the combination of -

(1) A product and a process for the manufacture of said product or

(2) A product and a process of use of said product. If an application contains claims to more or less than one of the combinations of categories of invention set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) and (2) of this section, unity of invention may not be present.

(c) If an application in the national stage contains claims to a category of invention in addition to those categories included in any one of the combinations specified in paragraph (b) of this section, lack of unity of invention may be held between the categories included in the combination and the claims to the additional category of invention.

(d) Unity of invention will exist in an application in the national stage where the claims are limited to one of the combinations of categories set forth in PCT Rule 13.2 (see § 1.475(f)) or a combination set forth in paragraphs (b)(1) or (2) of this section. If multiple products, processes of manufacture or uses are claimed, the first invention of the category first mentioned in the claims of the application and the first recited invention of each of the other categories related thereto will be considered as the elected invention to be examined. Any such holding of an election by the examiner will be made in the form of a restriction requirement which confirms the election made by the presentation of claims. Such a restriction requirement would be made on the basis of whether the inventions are independent and distinct. Applicant has the right to traverse such a restriction requirement in the response to the Office action in which the election is indicated.

(e) The inventions recited by the claims of different categories must be related rather than independent inventions.

(f) If the examiner finds that a national stage application lacks unity of invention under § 1.475, the examiner may in an Office action require the applicant in the response to that Office action to elect the invention to which the claims shall be restricted, this official action being called a requirement for restriction. Such requirement may be made before any action on the merits but may be made at any time before the final action at the discretion of the examiner. Review of any such requirement is provided under §§ 1.143 and 1.144.

21. Section 1.821 is proposed to be amended by revising paragraph (h) to read as follows:

§ 1.821 Nucleotide and/or amino acid sequence disclosures in patent applications.

(h) If any of the requirements of paragraphs (b) through (f) of this section are not satisfied at the time of filing, in the United States Receiving Office, an international application under the Patent Cooperation Treaty (PCT), applicant has one month from the date of a notice which will be sent requiring compliance with the requirements, or such other time as may be set by the Commissioner, in which to comply. Any submission in response to a requirement under this paragraph must be accompanied by a statement that the submission does not include new matter or go beyond the disclosure in the international application as filed. Such a statement must be a verified statement if made by a person not registered to practice before the Office. >If applicant fails to

timely provide the required computer readable form, the United States International Searching Authority shall search only to the extent that a meaningful search can be performed.<

22. The authority citation for 37 CFR Part 10 would continue to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

23. Section 10.9 is proposed to be amended by adding new paragraph (c) to read as follows:

§ 10.9 Limited recognition in patent cases.

>(c) An individual not registered under § 10.6 may prosecute an international application only before the U.S. International Searching Authority and the U.S. International Preliminary Examining Authority, provided: the individual has the right to practice before the national office with which the international application is filed (PCT Art. 49, Rule 90 and § 1.455).

June 24, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and
Acting Commissioner
of Patents and Trademarks

[1140 OG 27]

(189) **Patent Cooperation Treaty Information**

The European Patent Office as an International Preliminary Examining Authority for International Applications filed with the United States Patent and Trademark Office as a Receiving Office

Pursuant to a recent communication from the President of the European Patent Office (EPO) to the Commissioner of Patents and Trademarks, the EPO has confirmed that beginning July 1, 1990, it will continue to act as an International Preliminary Examining Authority (IPEA) for international applications filed with the United States Patent and Trademark Office as the Receiving Office. Furthermore, effective July 1, 1990, there will be no limit on the number of international applications originating in the United States which will be examined by the EPO as the IPEA, provided that the EPO acted as the International Searching Authority for these applications.

June 18, 1990

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1116 O.G. 32]

(190) **Notice Regarding Patent and Trademark Rights in the Russian Federation**

Representatives of the Russian Federation met with representatives of the U.S. Government on Monday, February 24, 1992, at the U.S. Patent and Trademark Office. The Russian delegation sought information about the operation of the U.S. patent and trademark systems and provided information about the treatment of inventions, industrial designs, utility models, trademarks, service marks, and appellations of origin in the Russian Federation.

Following is the text of a statement from the Chairman of the Committee for Patents and Trademarks (ROSPATENT), outlining the status of industrial property protection in the Russian Federation and the plans for the future.

INFORMATION
by the Committee for Patents and Trademarks

Due to the fact that the draft laws on patents and on trademarks were approved in the first hearing by the Supreme Soviet of the Russian Federation and taking into account numerous questions of domestic inventors, foreign patent offices and patent attorneys, the Committee for Patents and Trademarks (Rospatent) of the Ministry of Science, Higher School and Technical Policy of the Russian Federation hereby informs that:

1. Until the Patent Law and Trademark Law become effective, the provisions of the USSR Laws on Inventions, Industrial Designs and Trademarks, that are adopted as the normative base by the States party to the Provisional Agreement on the Industrial Property Protection, as signed in Minsk on Dec. 27, 1991, are applied in the territory of the Russian Federation.

According to the Provisional Agreement, the Russian Federation, as well as the other States party to it, recognizes the validity of titles of protection issued earlier pursuant to the USSR Laws in the territory of the Russian Federation.

Rospatent has submitted to the Government of the Russian Federation its proposals on issuing a normative act which is to certify the adoption by the Russian Federation of the said obligations arising out of the Provisional Agreement.

2. The applicants, who have filed applications for inventions, industrial designs and trademarks with the former USSR Gospatent, may, without losing the priority dates, wait until the Provisional Agreement on the Industrial Property Protection becomes effective, the Interstate Patent Office is established and its working procedures for issuing interstate titles of protection are elaborated.

3. In accordance with the abovesaid proposals by Rospatent, as submitted to the Government of the Russian Federation, any applicant wishing to obtain a patent (a trademark certificate) of the Russian Federation will be given the right to seek, on the basis of an application filed, for provisional protection in the territory of the Russian Federation.

Such provisional protection will be granted to inventions, industrial designs and trademarks claimed in the applications in respect of which the examiners have taken decisions on the possibility of issuing patents (certificates), and will last from the date when the data on an application are published in a special gazette to the date of issuance of a patent (certificate) of the Russian Federation.

The provisional protection in the territory of the Russian Federation will not impose legal barriers to obtaining, by the applicant, an interstate patent (certificate) after the Provisional Agreement on the Industrial Property Protection becomes effective. The priority date will still be considered as the date of filing the application either with the former USSR Gospatent or with Rospatent, with due regard to the conventional priority.

4. According to the Provisional Agreement on the Industrial Property Protection signed on Dec. 27, 1991, an inventor's certificate issued in the former USSR may not be exchanged for patents of the individual States party to the Provisional Agreement. The question of exchanging inventor's certificates for interstate patents will be finally resolved in the course of developing and concluding an Interstate Patent Convention.

In this connection, Rospatent does not exchange inventors' certificates for patents if a petition to this extent was filed after Dec. 27, 1991.

V. Rassokhin
Chairman of Rospatent

Copies of unofficial translations of the draft laws referred to in the statement are available from Box 4, U.S. Patent and Trademark Office, Washington, DC 20231. The charge is \$4.00 to cover the cost of duplication. Checks should be made payable to the Commissioner of Patents and Trademarks.

March 2, 1992

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1136 OG 10]

(191) Notice Interpreting *In re Iwahashi*
(Fed. Cir. 1989)

The Patent and Trademark Office's (PTO's) policy on the patentability of claims reciting mathematical algorithms and computer programs, published at 1106 Off. Gaz. Pat. Office 5-12 (Sept. 5, 1989), is unaffected by *In re Iwahashi*, 888 F.2d 1370, 12 USPQ2d 1980 (Fed. Cir. 1989). The following comments are intended as the PTO's interpretation of *Iwahashi*.

Iwahashi reversed a rejection of appellants' apparatus claim 1 (the sole claim) under 35 U.S.C. §101. The rejection maintained that claim 1 was directed to nonstatutory subject matter in the form of a mathematical algorithm. Appellants developed an approximation to the conventional equation for auto-correlation coefficients for use in pattern recognition which uses a term which is the square of the sum of two variables, instead of the product of the two variables. Appellants' claim to an autocorrelation unit is in "means-plus-function" format except for a recited "read only memory" ("ROM") for implementing the squaring term. PTO argued that the term "read only memory" as used in this claim is as broad as a means-plus-function recitation with the result that the claim is effectively entirely in means-plus-function format and indistinguishable for §101 purposes from a method claim; it was argued that such a corresponding method claim would be nonstatutory. See *In re Freeman*, 573 F.2d 1237, 1247, 197 USPQ 464, 472 (CCPA 1978); *In re Walter*, 618 F.2d 758, 768, 205 USPQ 397, 407-08 (CCPA 1980); *In re Abele*, 684 F.2d 902, 909, 214 USPQ 682, 688 (CCPA 1982); *In re Meyer*, 688 F.2d 789, 796, 215 USPQ 193, 198-99 (CCPA 1982); and 1106 Off. Gaz. Pat. Office at 8, under "Process" versus "apparatus" claims. PTO also argued that appellants' apparatus claim is nonstatutory when directly analyzed according to the two-part *Freeman-Walter* test because (1) it recites a mathematical algorithm and (2) the algorithm does not "define" a structural relationship between physical elements and is not "applied" in any manner to physical elements.

The Federal Circuit determined that a read only memory is a "term[] well understood by those skilled in the art," 888 F.2d at 1372, 12 USPQ2d at 1909, and that the claimed read only memory element "is not in means-plus-function form," *id.* at 1373, 12 USPQ2d at 1909, but "is a specific piece of apparatus," *id.* at 1375, 12 USPQ2d at 1912. The Court states that appellants' apparatus claim does not meet the second part of the *Freeman-Walter* test, detailing the relationship between the ROM and the other means in the claim. Therefore, the Court concluded, *id.* at 1375, 12 USPQ2d at 1911:

The claim as a whole certainly defines apparatus in the form of a combination of interrelated means and we cannot discern any logical reason why it should not be deemed statutory subject matter as either a machine or a manufacture as specified in §101. The fact that the apparatus operates according to an algorithm does not make it nonstatutory. . . . We therefore hold that the claim is directed to statutory subject matter.

Because the Court determined a ROM to be a specific piece of apparatus for implementing a table look-up function, and not as broad as a means-plus-function recitation, appellants carried their burden of demonstrating that the claim is "truly drawn to specific apparatus distinct from other apparatus capable of performing the identical functions," *Walter*, 618 F.2d at 768, 205 USPQ at 408; as a matter of claim interpretation, the claim cannot be treated as equivalent to a method. The *Walter* test for whether an apparatus claim is equivalent to a method claim is the same as applying the *Freeman-Walter* test to an apparatus claim. See *In re Maucorps*, 609 F.2d 481, 486, 203 USPQ 812, 816 (CCPA 1979) (application of second part of two-part *Freeman* test to apparatus claim in "means for" format considers whether the "claimed invention as a whole comprises each and every means for carrying out a [mathematical algorithm]").

Once it is determined that the claim is truly drawn to specific apparatus, it necessarily follows that the apparatus is statutory subject matter under §101. True apparatus does not invoke the mathematical algorithm exception because the mathematical algorithm remains free for use by anyone not employing the specific apparatus, i.e., there is no preemption, in whole or part, of the mathematical algorithm itself. See *In re Bernhart*, 417 F.2d 1395, 1399, 163 USPQ 611, 616 (CCPA 1969) ("a member

of the public would have to do much more than use the equations to infringe any of these [apparatus] claims"); *Freeman*, 573 F.2d at 1247 n.11, 197 USPQ at 472 n.11 ("the calculation method [in dependent claim 10] remained free for use by anyone not employing the entire apparatus of claim 9"). Importantly, as the *Iwahashi* Court notes: [t]he fact that apparatus operates according to an algorithm does not make it nonstatutory," 888 F.2d at 1375, 12 USPQ2d at 1911. See *Freeman*, 573 F.2d at 1247 n.10, 197 USPQ at 472 n.10 ("A claim to a new, useful, and unobvious computer, describing that computer in truly structural terms, would not be rejectable on the ground that the only known use for that computer is the performance of unpatentable methods of calculation.")

The Court's holding that the claim defines apparatus because of ROM is a specific piece of apparatus for implementing the mathematical algorithm is consistent with precedent and PTO policy as set forth at 1106 Off. Gaz. Pat. Office 5-12. Every case, however, must be determined on its facts and, to be consistent with previous decisions, *Iwahashi* does not "hold that the mere presence of apparatus language in a claim will, of itself, save that claim from rejection as nonstatutory." *id.* at 1247 n.11, 197 USPQ at 472 n.11. Under *Walter*, the inquiry with every apparatus claim should be whether the apparatus encompasses any and every means for performing the recited functions and, if this appears to be the case, the burden should be placed on the applicant to show that it does not.

The Court's dicta in footnote 1 (the sole footnote) suggests that §112 ¶6 may require the PTO to construe means-plus-function limitation to the apparatus disclosed in the application and equivalents thereof. Under this suggestion, even a claim which is entirely in means-plus-function format could not be treated as indistinguishable from a corresponding method claim for §101 purposes. Such a result would be directly contrary to precedent, including *Freeman*, *Walter*, *Abele* and *Meyer*. In the opinion of the PTO, means-plus-function limitations should be not treated differently for §101 purposes than for §102 and §103 purposes for rejections over prior art. Indeed, during prosecution claims should be given their broadest reasonable interpretation. See *In re Zletz*, ___ F.2d ___, ___, 13 USPQ2d 1320, 1321-22 (Fed. Cir. 1989). The issue of claim scope should be treated as a matter of burden of proof: examiners should give "means for" limitations their broadest reasonable interpretation and then it is applicant's burden to show that the functionally-defined disclosed means do not encompass any and every means for performing the recited functions. See *Walter*, 618 F.2d at 768, 205 USPQ at 408 ("the burden must be placed on the applicant to demonstrate that the claims are truly drawn to specific apparatus"); *Meyer*, 688 F.2d at 796 n.6, 215 USPQ at 199 n.6 and corresponding text; *In re Mulder*, 716 F.2d 1542, 1549, 219 USPQ 189, 196 (Fed. Cir. 1983) (involving a "means for" limitation in a §103 rejection: "Appellants have neither asserted nor shown that [the reference] structure is not the equivalent of the structure disclosed in their specification [for performing the function, as stated by the board]").

Feb. 15, 1990

JAMES E. DENNY
Acting Assistant
Commissioner
for Patents

[1112 OG 16]

(192) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Part 1
[Docket No. 920670-2281]
RIN 0651-AA57

Changes in Procedures for Reinstatement of Patents

Agency: Patent and Trademark Office, Commerce
Action: Interim Rule

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent cases to provide for reinstatement of a patent where the delay in timely payment of a maintenance fee was unintentional. The Office is also establishing the amount for the surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance

fee where the delay in payment is shown to the satisfaction of the Commissioner to have been unintentional.

Dates: Interim rule effective Oct. 23, 1992. These rules will be applicable to all petitions to reinstate an expired patent filed with the Office on or after the effective date. The surcharge cited in sections 1.20(i)(2) and 1.378(c)(2) of title 37 of the Code of Federal Regulations will be effective thirty days from publication of this rulemaking in the *Federal Register* or the *Official Gazette* of the Patent and Trademark Office, whichever is later. Written comments on this rulemaking must be received on or before Jan. 8, 1993 to ensure consideration. An oral hearing will not be conducted.

Addresses: Address written comments on this interim rulemaking to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231, marked to the attention of Jeffrey V. Nase. Correspondence may be sent by FAX to the attention of Jeffrey V. Nase at (703) 305-8825.

For Further Information Contact: Jeffrey V. Nase by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: In a Notice of Proposed Rulemaking published in the *Federal Register* (57 FR 41899) on Sept. 14, 1992, and in the Patent and Trademark Office *Official Gazette* (1143 Off. Gaz. Pat. Office 8) on Oct. 6, 1992, the Office proposed to amend the current regulations in the event that proposed statutory changes were enacted to allow for the reinstatement of a patent where the delay in timely payment of a maintenance fee was unintentional.

Section 41 of title 35, United States Code, establishes fees that the Commissioner shall charge for patent-related matters. A bill to amend title 35 with respect to the late payment of maintenance fees was introduced on June 4, 1992, in the House of Representatives as H.R. 5328 (hereafter, Bill). The Bill, as introduced, proposed to: (1) amend 35 U.S.C. § 41(c)(1) to permit reinstatement of a patent which expired unintentionally for failure to timely pay the maintenance fee, provided that the payment is made within eighteen months after the six-month grace period specified in 35 U.S.C. § 41(b); and (2) amend 35 U.S.C. § 41(a)(7) to require a petition fee for an unintentionally delayed payment for maintaining a patent in force. The Bill, with amendments, was enacted as Public Law No. 102-444 (hereafter, Act).

The Act amends 35 U.S.C. § 41(c)(1) to permit reinstatement of a patent which expired unintentionally for failure to timely pay the maintenance fee, provided that the payment is made within twenty-four months after the six-month grace period specified in 35 U.S.C. § 41(b).

Since the Act is effective on enactment and since it differs significantly from the Bill, as introduced, it is necessary to promulgate this interim rulemaking. This interim rulemaking implements the procedures the Office will follow to accept the unintentionally delayed payment of a maintenance fee. All aspects of this rulemaking either confer a benefit or are clearly and directly related to the benefit conferred. Therefore, this rulemaking is exempt from the Administrative Procedures Act's rulemaking requirements under the proprietary matters exception, 5 U.S.C. § 553(a)(2). Furthermore, any delay in the implementation of this interim rulemaking would be contrary to the public interest in granting relief by ensuring that patents unintentionally expired for failure to pay the required maintenance fee are promptly reinstated.

Under the Act, the Commissioner has authority to set a surcharge for accepting the unintentionally delayed payment of a maintenance fee. The Commissioner has determined that an interim surcharge of \$1,500 is appropriate. If a surcharge in a lower amount is finally adopted (after review of public comments in response to this interim rulemaking), patentees will be refunded any excess payment. The \$1,500 interim surcharge was determined to be the appropriate amount when compared to the existing \$620 surcharge for accepting the unavoidably delayed payment of a maintenance fee. The higher interim surcharge is appropriate since a petition to accept the unintentionally delayed payment of a maintenance fee will require only a statement that the delay in payment of the maintenance fee was unintentional, not a showing of facts sufficient to establish unavoidable delay. Furthermore, the higher amount for relief based on the unintentional delay relative to those based on unavoidable delay is similar to the statutory difference in fees for petitioning to revive an abandoned application.

The \$1,500 interim surcharge will not take effect until the date thirty days from publication of this interim rulemaking in the *Federal Register* or the *Official Gazette* of the Patent and Trademark Office, whichever is later. Section 1.378(c)(2) is waived until the \$1,500 surcharge becomes effective. However, petitions to accept the delayed payment of a maintenance fee should not be delayed for that thirty-day period. The surcharge for the acceptance of a maintenance fee resulting from a petition filed under this waiver will be due when the petition is granted.

One comment on the proposed § 1.378 has been received.

Comment: The comment questioned the time limits proposed for § 1.378(c)(5).

Reply: The proposed time limits will not be adopted because the Act sets the time limit for filing a petition to accept the delayed payment of a maintenance fee.

Any final rule will treat both the comments made to the proposed rules and to these interim rules.

DISCUSSION OF SPECIFIC SECTIONS TO BE CHANGED OR ADDED:

(1) *Post issuance fees.* (§ 1.20)

Section 1.20(i) is amended to add a \$1,500 surcharge fee for accepting the unintentionally delayed payment of a maintenance fee. This amendment will not become effective until the date thirty days after Publication of this interim rulemaking in the *Federal Register* or in the *Official Gazette* of the Patent and Trademark Office, whichever is later.

(2) *Delayed payment of a maintenance fee* (§ 1.378)

The Act amends subsection 41(c)(1) of title 35, United States Code, to permit the Commissioner to accept late payment of any maintenance fee filed within twenty-four months after the six-month grace period, if the delay in payment is shown to the satisfaction of the Commissioner to have been unintentional. In order to implement the Act, paragraphs (a) and (c) of § 1.378 are amended to permit the filing of a petition to accept late payment of a maintenance fee, where the delay in payment was unintentional.

In addition to the timeliness deadlines set forth in the preceding paragraph, a petition filed under the unintentional standard of § 1.378(c) would have to include the required maintenance fee set forth in § 1.20(e) through (g), the surcharge for an unintentionally expired patent as set forth in § 1.20(i)(2), and a statement that the delay in payment of the maintenance fee was unintentional. The requirement of § 1.378(c)(2) that the petition must include the surcharge will be waived until the date thirty days after publication of this interim rulemaking in the *Federal Register* or in the *Official Gazette* of the Patent and Trademark Office, whichever is later. The surcharge for the acceptance of a maintenance fee resulting from a petition filed under this waiver will be due when the petition is granted.

A statement that the delay in payment of the maintenance fee was unintentional would not be appropriate unless the entire delay, up until the maintenance fee was actually paid, was unintentional. For example, a statement that the delay in payment of the maintenance fee was unintentional would not be proper when patentee becomes aware of an unintentional failure to timely pay the maintenance fee and then intentionally delays filing a petition for reinstatement of the patent under § 1.378.

Petitions to accept delayed payment of a maintenance fee in an expired patent, prior to enactment of the Act, required a showing of unavoidable delay. In the case of petitions filed more than six months after expiration of a patent, current § 1.378(c) further required a showing that the failure to timely pay the maintenance fee was beyond the control of the patentee. The Office has determined that the "beyond the control" standard does not find adequate support in the relevant statute (35 U.S.C. 41(c)) or in the legislative history of Public Law 97-247. See "acceptance of Delayed Payment of Maintenance Fees in Expired Patents", 1115 Off. Gaz. Pat. Office 18 (June 12, 1990). Therefore, current § 1.378(c) is being deleted in its entirety to be replaced by the unintentional delay provisions discussed above. Additionally, § 1.378(b) is amended to provide that the unavoidable delay provisions are available at any time following expiration of a patent for failure to pay a maintenance fee.

OTHER CONSIDERATIONS

The rule changes are in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et. seq.), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant economic impact on a substantial number of small entities (regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these changes is to incorporate the Act into the regulations and will give relief to many small entities that do not now have a mechanism to reinstate their expired patent.

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individuals; industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These rule changes contain a collection of information requirement subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq., which has previously been approved by the Office of Management and Budget under Control Nos. 0651-011 and 0651-0016.

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements.

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. § 6, part 1 of title 37 of the Code of Federal Regulations is amended as set forth below.

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.20 is amended by revising paragraph (i) to read as follows:

§ 1.20 *Post issuance fees.*

(i) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been

- (1) unavoidable \$620.00
- (2) unintentional \$1,500.00

3. Section 1.378, paragraphs (a), (b) and (c) are revised to read as follows:

§ 1.378 *Acceptance of delayed payment of maintenance fee in expired patent to reinstate patent.*

(a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable (paragraph (b) of this section) or unintentional (paragraph (c) of this section) and if the surcharge required by § 1.20(i) is paid as a condition of accepting payment of the maintenance fee. If the Commissioner accepts payment of the maintenance fee upon

petition, the patent shall be considered as not having expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

(b) Any petition to accept an unavoidably delayed payment of a maintenance fee filed under paragraph (a) of this section must include:

- (1) The required maintenance fee set forth in § 1.20 (e)-(g);
- (2) The surcharge set forth in § 1.20(i)(1); and
- (3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee.

(c) Any petition to accept an unintentionally delayed payment of a maintenance fee filed under paragraph (a) of this section must be filed within twenty-four months after the six-month grace period provided in § 1.362(e) and must include:

- (1) The required maintenance fee set forth in § 1.20(e)-(g);
- (2) The surcharge set forth in § 1.20(i)(2); and
- (3) A statement that the delay in payment of the maintenance fee was unintentional.

Nov. 23, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

(193) Incorporation by Reference

Effective immediately, the INCORPORATION BY REFERENCE portion of Section 608.01(p) of the Manual of Patent Examining Procedure is changed to read as follows:

B. INCORPORATION BY REFERENCE

The Commissioner has considerable discretion in determining what may or may not be incorporated by reference in a patent application. *General Electric Co. v. Brenner*, 407 F.2d 1258, 159 USPQ 335 (D.C. Cir. 1968). The following is the manner in which the Commissioner has elected to exercise that discretion. Section 1 provides the guidance for incorporation by reference in applications which are to issue as U.S. patents. Section 2 provides guidance for incorporation by reference in "benefit" applications, i.e., those domestic (35 U.S.C. 120) or foreign (35 U.S.C. 119) applications relied upon to establish an earlier effective filing date.

1. Review of applications which are to issue as patents

An application as filed must be complete in itself in order to comply with 35 U.S.C. 112. Material nevertheless may be incorporated by reference. *Ex parte Schwarze*, 151 USPQ 426 (Bd. App. 1966). An application for a patent when filed may incorporate "essential material" by reference to (1) a U.S. patent or (2) an allowed U.S. application in which the issue fee has been paid, subject to the conditions set forth below. "Essential material" is defined as that which is necessary to (1) describe the claimed invention, (2) provide an enabling disclosure of the claimed invention, or (3) describe the best mode (35 U.S.C. 112). In any application which is to issue as a U.S. patent, "essential material" may not be incorporated by reference to (1) patents or applications published by foreign countries or a regional patent office, (2) non-patent publications, (3) a U.S. patent or application which itself incorporates "essential material" by reference, or (4) a foreign application. See *In re Fouché*, 439 F.2d 1237, 169 USPQ 429 (CCPA 1971).

Nonessential subject matter may be incorporated by reference to (1) patents or applications published by the United States or foreign countries or regional patent offices, (2) prior filed, commonly owned U.S. applications, or (3) non-patent publications. Nonessential subject matter is subject matter referred to for purposes of indicating the background of the invention or illustrating the state of the art.

In addition to other requirements for an application, the referencing application should include an identification of the referenced patent, application, or publication. Particular attention should be directed to specific portions of the referenced document where the subject matter being incorporated may be found.

Complete Disclosure Filed

If an application is filed with a complete disclosure, essential material may be cancelled by amendment and may be substituted by reference to a patent or a pending application in which the issue fee has been paid. The amendment must be accompanied by an affidavit or declaration signed by the applicant, or a practitioner representing the applicant, stating that the material cancelled from the application is the same material that has been incorporated by reference.

Issue Fee Paid

If an application incorporates essential material by reference to a U.S. patent or a pending and commonly owned allowed U.S. application for which the issue fee has been paid, applicant will be required prior to examination to furnish the Office with a copy of the referenced material together with an affidavit or declaration executed by the applicant, or a practitioner representing the applicant, stating that the copy consists of the same material incorporated by reference in the referencing application. However, if a copy of a printed U.S. patent is furnished, no affidavit or declaration is required.

Issue Fee Not Paid

If an application incorporates essential material by reference to a pending and commonly owned application other than one in which the issue fee has been paid, applicant will be required prior to examination to amend the disclosure of the referencing application to include the material incorporated by reference. The amendment must be accompanied by an affidavit or declaration executed by the applicant, or a practitioner representing the applicant, stating the amendatory material consists of the same material incorporated by reference in the referencing application.

Improper Incorporation

The filing date of any application wherein essential material is improperly incorporated by reference to a foreign application or patent or to a publication will not be affected because of the reference. In such case, the applicant will be required to amend the specification to include the material incorporated by reference.

¶ 6.19 Incorporation by Reference, Foreign Patent or Application

The incorporation of essential material by reference to a foreign application or foreign patent or to a publication inserted in the specification is improper. Applicant is required to amend the disclosure to include the material incorporated by reference. The amendment must be accompanied by an affidavit or declaration executed by the applicant, or a practitioner representing the applicant, stating that the amendatory material consists of the same material incorporated by reference in the referencing application. *In re Hawkins*, 486 F.2d 569, 179 USPQ 157 (CCPA 1973); *In re Hawkins*, 486 F.2d 579, 179 USPQ 163 (CCPA 1973); *In re Hawkins*, 486 F.2d 577, 179 USPQ 167 (CCPA 1973).

¶ 6.191 Improper Incorporation by Reference

The attempt to incorporate subject matter into this application by reference to [1] is improper because [2].

Examiner Note:

1. In bracket 1, identify the document such as serial or patent number or other identification.

2. In bracket 2, give reason why it is improper.

The amendment must be accompanied by an affidavit or declaration executed by the applicant, or a practitioner representing the applicant, stating that the amendatory material consists of the same material incorporated by reference in the referencing application. *In re Hawkins*, 486 F.2d 569, 179 USPQ 157 (CCPA 1973); *In re Hawkins*, 486 F.2d 579, 179 USPQ 163; (CCPA 1973); *In re Hawkins*, 486 F.2d 577, 179 USPQ 167 (CCPA 1973).

Reliance upon a commonly assigned copending application by a different inventor may ordinarily be made for the purpose of completing the disclosure. See *In Re Fried*, 329 F.2d 323, 141 USPQ 27 (CCPA 1964), and *General Electric Co. v. Brenner*, 407 F.2d 1258, 159 USPQ 335 (D.C. Cir. 1968).

Since a disclosure must be complete as of the filing date, subsequent publications or subsequently filed applications cannot be relied upon to establish a constructive reduction to practice or an enabling disclosure as of the filing date. *In re Glass*, 492 F.2d 1228, 181 USPQ 31 (CCPA 1974); *In re Scarbrough*, 500 F.2d 560, 182 USPQ 298 (CCPA 1974); *White Consolidated Industries, Inc. v. Vega Servo-Control, Inc.*, 713 F.2d 788, 218 USPQ 961 (Fed. Cir. 1983).

2. Review of applications which are relied upon to establish an earlier effective filing date

The limitations on the material which may be incorporated by reference in U.S. patent applications which are to issue as U.S. patents do not apply to applications relied upon only to establish an earlier effective filing date under 35 U.S.C. 119 or 35 U.S.C. 120. The reason for incorporation by reference practice with respect to applications which are to issue as U.S. patents is to provide the public with a patent disclosure which minimizes the public's burden to search for and obtain copies of documents incorporated by reference which may not be readily available. Through the Office's incorporation by reference policy, the Office ensures that reasonably complete disclosures are published as U.S. patents.

The same policy concern does not apply where the sole purpose for which an applicant relies on an earlier U.S. or foreign application is to establish an earlier filing date. Incorporation by reference in the earlier application of (1) patents or applications published by foreign countries or regional patent offices, (2) non-patent publications, (3) a U.S. patent or application which itself incorporates "essential material" by reference, or (4) a foreign application, is not critical in the case of a "benefit" application.

When an applicant, or a patent owner in a reexamination or interference, claims the benefit of the filing date of an earlier application which incorporates material by reference, the applicant or patent owner may be required to supply copies of the material incorporated by reference. For example, an applicant may claim the benefit of the filing date of a foreign application which itself incorporates by reference another earlier filed foreign application. If necessary due to an intervening reference, applicant should be required to supply a copy of the earlier filed foreign application, along with an English language translation. A review can then be made of the foreign application and all material incorporated by reference to determine whether the foreign application discloses the invention sought to be patented in the manner required by the first paragraph of 35 U.S.C. 112. *In re Gosteli*, 872 F.2d 1008, 10 USPQ2d 1614 (Fed. Cir. 1989). Only if the foreign application, taken with the material incorporated by reference, complies with ¶ 112 is benefit accorded.

Nov. 19, 1992

DOUGLAS B. COMER

Acting Commissioner of
Patents and Trademarks

[1145 OG 358]

(194) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1, 2, and 10
[Docket No. 921061-2261]
[RIN 0651-AA50]

Electronic Filing of Patent and Trademark Applications

Agency: Patent and Trademark Office Commerce

Action: Advance Notice of Proposed Rulemaking

Summary: This advance notice of proposed rulemaking is to inform the public that the Patent and Trademark office (PTO) is considering amending its rules of practice: (1) to allow for electronic filing of patent applications and trademark applications; and (2) to require applications filed in paper form to follow a prescribed order and format.

The PTO anticipates that permitting electronic filing of applications will improve the accuracy of the information relied upon in the examination of patent and trademark applications, eliminate delays caused by mailing and data entry, and, as a first step toward a fully-automated processing system, ultimately provide considerable cost savings. The cost savings realized could be used to help reduce the need for future fee adjustments and/or fund improvements in the delivery of services. Requiring applications filed on paper to follow a prescribed order and format will enable the PTO to convert these applications to electronic format.

The purposes of this notice are to: (1) invite interested parties to participate in pilot programs involving electronic filing of patent and trademark applications; and (2) encourage comments on this topic, in the form of responses to the questions posed in this notice, from industry, the patent and trademark bars, and members of the public.

Dates: Comments should be received on or before Feb. 28, 1993.

Addresses: Written comments should be addressed, if sent by mail, to the attention of Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, c/o Commissioner of Patents and Trademarks, Washington, D.C. 20231. If delivered by hand, comments should be brought to the Office of the Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, Room 906, Crystal Park 2, 2121 Crystal Drive, Arlington, Va.

For Further Information Contact: Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, (703) 305-8600.

SUPPLEMENTARY INFORMATION:

1. Pilot Programs

Currently, the PTO accepts patent and trademark applications delivered by mail or in person. These applications are in paper form or, in the case of patent applications for nucleotide sequences, a combination of computer-readable (see 37 CFR 1.821-1.825) and paper form.

The PTO is initiating a pilot program that would permit electronic filing of patent and trademark applications, using software now under consideration by the PTO. Initially, it is anticipated that participants in the pilot program would be required to use the PTO software to create a diskette, which would then be mailed to the PTO along with the paper application generated by the diskette. The diskette would serve the limited function of eliminating the initial data entry of applications into the PTO databases.

As part of a second pilot program, a separate group of participants is being solicited to file paper applications following a prescribed order and format. The paper applications would then be scanned and converted to electronic format. Data collected from the pilot programs will be evaluated to determine whether requiring submission of a paper application in a certain order and format facilitates data entry; whether any modifications to the electronic filing software are required; and more fundamentally, whether electronic filing is a feasible, cost-effective alternative to filing in paper form.

2. Paper Applications

The PTO contemplates that paper applications will be required to follow the order and format of the data elements (e.g., inventor, foreign priority information, in the case of a patent application; applicant, mark, in the case of a trademark application) entered in the electronic filing system. This would enable the PTO to scan and convert paper applications to electronic applications upon receipt at the PTO. Once the paper application is converted into electronic form, processing of the application will be done in a purely electronic format. The electronic form of the application would become the official file.

3. Electronic Filing

The PTO contemplates that applicants filing by electronic means would be required to use an "Authoring Program" developed by the PTO, which will be available to facilitate the

preparation of an electronic submission and record the submission on electronic media. This "Authoring Program" will include a validation feature so that applicants, themselves, can test whether an electronic submission complies with all requirements.

The "Authoring Program" software under consideration by the PTO will be designed to be compatible with computers capable of creating files of standard ASCII (American Standard Code for Information interchange) text within one or more of the major operating systems environments (e.g., DOS, Windows®, Unix®, and Apple Macintosh®).

The format for text in patent applications will specify a set of mandatory data elements, similar to those required under the Patent Cooperation Treaty. The format for text in trademark applications will specify a set of mandatory data elements, similar to those required of a "written application" under 15 U.S.C. 1051. In both the patent and trademark software, specific formats will be required for non-textual elements, such as drawings, formulas, tables and specimens. These non-textual elements would be submitted in separate computer files called "Presentations," similar to the presentation of nucleotide sequence information in accordance with 37 CFR 1.821-1.825.

The PTO also contemplates that certain individuals be designated by the agency as qualified "electronic application transmitters." Upon application to the PTO, unlimited parties meeting specified requirements may be issued Personal Identification Numbers to enable them to transmit applications in electronic form on behalf of themselves or other individuals.

In an effort to facilitate public comment to the questions set forth below, the following background information is provided:

4. Background Specific to Electronic Patent Applications

Signature

Under 35 U.S.C. 111, a patent application must include an oath by the applicant. 35 U.S.C. 25 permits a declaration in lieu of oath. The applicant's signed oath or declaration is not required for receipt of a filing date, but may be submitted, upon payment of a surcharge, within a prescribed period.

Certified Copy of Foreign Patent Application

Under 35 U.S.C. 119, a U.S. patent application may be based on a foreign patent application, thus, potentially, conferring the benefit of the earlier foreign patent application's filing date. A certified copy of the foreign patent application is required to be filed in the PTO before the patent is granted.

5. Background Specific to Electronic trademark Applications

Signature

Under 15 U.S.C. 1051, a trademark application must be verified by the applicant. Prior to implementation of the Trademark Law Revision Act of 1988 (TLRA) on Nov. 16, 1989, the PTO permitted verification of the application to be provided at any time during the examination process. With implementation of the TLRA, the PTO amended its regulations with respect to the verification of an application. 37 CFR 2.21, which sets forth the minimum requirements for an application to receive a filing date, was amended to require that the application be signed by the applicant at the time of filing.

Specimen

Under 15 U.S.C. 1051, a trademark application based on "use in commerce" must include specimens or facsimiles of the mark as used. 37 CFR 2.21(a)(5) requires at least one specimen or facsimile to be included with the "use" application in order to receive a filing date. Applications filed based upon a "bona fide" intention to use the mark in commerce, under 15 U.S.C. 1051(b), must be supplemented with specimens or facsimiles before the registration issues. In order to meet the minimum requirements for filing an amendment to allege use or statement of use, one specimen or facsimile must be submitted. 37 CFR 2.76(e)(2) and 2.88(e)(2).

Certification or Certified Copy of Foreign Registration

Under 15 U.S.C. 1126(e), "an application [based on a foreign registration] shall be accompanied by a certification or a certified copy of the registration of the country of origin of the applicant." 37 CFR 2.21(a)(5) requires the certification or certified copy to be included with the application in order to receive a filing date.

6. Comments on the following Questions and Any Other Related Matters Are Solicited

Questions Common to Patent and Trademark Applications

- What benefits do you foresee for the applicant if electronic filing is adopted? What disadvantages do you foresee?
- Should the PTO require paper applications to be filed in a specific order and format to facilitate conversion to electronic format? What advantages and disadvantages do you foresee?
- Should the electronic file become the official agency file?
- Should electronic filing be expanded to encompass amendments and other submissions to the PTO?
- Should paper or electronic application filings receive a filing date only if they meet order and format requirements, or should compliance be subject to a surcharge?
- Should the PTO accept electronic filing by diskette, on-line, or both?
- Should applications filed in paper form be converted to electronic form by the PTO? Should the PTO charge a fee for this service?
- If paper applications are converted to electronic form by the PTO, should the PTO destroy or retain the paper applications?
- Should fees be processed electronically?
- Should the PTO create a registry of "electronic application transmitters" capable of transmitting patent and trademark applications for others? If so, what, if any, criteria should be established before one could be "registered" as an electronic application transmitter?

Questions Related Solely to Patent Issues

- Should the PTO require the oath or declaration to an electronically filed patent application be filed on paper to authenticate that applicants believe themselves to be original and first inventors of the subject matter of the electronically filed application?

If not, how should the filing of the oath or declaration be accomplished?

- How should the filing of certified copies of foreign patent applications be accomplished for an electronically filed patent application?

Questions Related Solely to Trademark Issues

- Should the PTO require electronically filed applications to include a scanned, signed declaration in order to receive a filing date? Should the PTO accept declarations in electronic form with some type of electronic signature?

If not, should 37 CFR 2.21 be amended to permit unverified applications to be accorded a filing date? If so, within what time period must an unverified application be ratified by the submission of a signed declaration?

How long should the PTO retain the signed declaration after it has been scanned and merged into the electronic file?

- Should "use" applications submitted without a specimen be given a filing date?

If so, within what time period after filing must the specimens be submitted?

Should the number of required specimens be reduced?

How long should the PTO keep the specimens after they are scanned and merged into the electronic file?

- Should Section 44(e) of the Trademark Act (15 U.S.C. 1126(e)) be amended to permit applicants to submit a facsimile of the certification or certified copy of the foreign registration?

Alternatively, should the statute be amended to permit Section 44(e) applicants to obtain a filing date absent a certifi-

cation or certified copy of the foreign registration? If so, within what time period must a Section 44(e) application be supplemented with a certificate or certified copy of the foreign registration?

How long should the PTO retain the certification or certified copy after it has been scanned and merged into the electronic application?

7. Candidates for the Pilot Programs

Any person interested in participating in one of the pilot programs identified above is requested to contact Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, c/o

Commissioner of Patents and Trademarks, Washington, D.C. 20231. If delivered by hand, written statements of interest should be brought to Suite 906, Crystal park 2, 2121 Crystal Drive, Arlington, Va. 22202. Telephone: (703) 305-8600. Please indicate which pilot program you wish to participate in and please be certain to include a telephone number where you may be reached.

Nov. 23, 1992

DOUGLAS B. COMER
*Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks*

[1145 OG 378]

**TRADEMARK APPLICATION
EXAMINATION AND CONTENT****(195) Interviews Involving Trademark Application**

Interviews frequently result in a better understanding of the issues involved, shorten the prosecution and facilitate disposal of applications.

Interviews for discussion of registrability of the mark of a pending application will not be had before the first official Office action thereon and ordinarily not before filing the first response. Arrangements for an interview should be made in advance so that the Examiner may review the case and be familiar with the details involved.

Interviews on Friday will no longer be prohibited as a matter of policy but all interviews should be set at a time satisfactory to all parties concerned.

A memorandum summarizing the conclusions reached at the interview should be prepared by the Examiner and placed in the application file. The memorandum will be retained in the application file until the prosecution is completed. Such procedure will not, however, relieve the applicant of the responsibility of complying with the requirements of Trademark Rule 2.62.

HORACE B. FAY, JR.,
*Assistant Commissioner
of Patents.*

July 6, 1964.

This supersedes the notice of Feb. 10, 1958. (728 O.G. TM 1)

[804 O.G. TM 147]

**(196) Trademark Examining Procedure for Amended
Applications; Reporting Oldest Dates of
Amended Trademark Applications**

Effective immediately, the order in which amendments to trademark applications are examined is changed. Previously, Examiners have usually acted on amended cases in order of filing date of the application which the amendment concerned, i.e., amended cases with the oldest filing date were examined first. Under the new procedure, amended cases will normally be examined in the order in which the amendment or other response is received, i.e., amendments that are received first will normally be examined first.

Effective with this issue of the *Official Gazette* (Trademark Section) in order to reflect more accurately the condition of division dockets, the column reporting the date of the oldest amended application in each division has been changed to indicate the date of receipt of the oldest filed amendment. Under this new method of reporting the oldest date of receipt of a filed amendment upon which no action has been taken by an Examiner will be indicated for each division of the Trademark Examining Operation.

RENE D. TEGTMEYER,
Assistant Commissioner.

July 15, 1971.

[889 O.G. TM 6]

(197) Trademark Office Actions

Effective immediately Applicants or their attorneys will be provided with only one carbon copy of any office action, and the mailing of an additional carbon copy will be discontinued.

This change is consistent with the current practice in the patent examining operations and should result in greater efficiency in the preparation and mailing of office actions.

ROBERT GOTTSCHALK,
Commissioner of Patents.

Feb. 7, 1972.

[895 O.G. TM 238]

(198)

**Petition to Make Trademark
Applications Special**

The practice of expediting the prosecution of new trademark applications on request of the applicant (accelerated prosecution) was rescinded, effective Aug. 1, 1971 (36 F.R. 13231, July 16, 1971; 825 O.G. 2). This action was taken after a careful study of the practice, including a recommendation of the Public Advisory Committee for Trademark Affairs that the Patent Office terminate accelerated prosecution of trademark applications. The study considered both the effect of the procedure on the workload of the Trademark Operations and the broader interest of examining trademark applications in an order which is equitable to all applicants.

Since the termination of this practice, the Office has experienced some increase in the number of petitions requesting the Commissioner to invoke his supervisory authority pursuant to Rule 2.146 in order to advance the examination of applications out of their regular order. This was to be expected since applicants who might have been able to show special circumstances entitling them to advanced examination could previously achieve this special treatment without resorting to a petition. However, some of the petitions now being received are not considered sufficient to justify the extraordinary relief of invoking the supervisory authority of the Commissioner for the purpose of advancing the applications out of their regular order.

In particular, a number of such petitions have been based on the ground that the applicant is about to embark on an advertising campaign or to commit advertising or promotional expenditures in which the mark applied for is material. Such a ground is not considered to constitute appropriate circumstances justifying the advancement of the application out of its regular turn and the petitions based on such ground have been and will continue to be denied. The principal reason for the denial is that these circumstances are applicable to a substantial portion of the trademark applications filed in the Patent Office. The supervisory authority of the Commissioner should be exercised only where an extraordinary reason for such action has been disclosed. See *Anderson & Dyer v. Lewry*, 89 O.G. 1861, 1899 C.D. 230, and *Wilputte v. Van Ackeren*, 103 USPQ 235. Thus, the extraordinary remedy of invoking the supervisory authority of the Commissioner is not considered appropriate under these circumstances.

In the interest of equitable treatment of all applicants, the policy of the Office in granting such petitions will be restricted to those cases in which particular and very special circumstances exist, such as a demonstrable possibility of loss of substantial rights, rather than circumstances which would be equally applicable to a large number of other applicants for trademark registration.

ROBERT GOTTSCHALK,
Commissioner of Patents.

Mar. 13, 1972.

[897 O.G. TM 2]

**(199) Title 37—Patents, Trademarks,
and Copyrights**

Chapter I—Patent Office, Department of Commerce

Parts 2 and 6—Rules of Practice in Trademark Cases

International Trademark Classification

A proposal was published at 37 F.R. 6404 to revise § 6.1 of the Rules of Practice in Trademark Cases. The Patent Office proposed to establish the "International Classification of Goods and Services to Which Trademarks Are Applied" (the subject of the "Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks" of 1957, as revised at Stockholm on July 14, 1967) as the primary classification of goods and services for registration of trademarks and service marks. Pursuant to the Notice, written comments have been received, and a public hearing was held on June 14, 1972. Full consideration has been given to all matter presented, and changes in the text of the

original proposal have been made in view thereof. It has been determined that adoption of the international classification system is desirable.

The Patent Office has studied the international classification and, since Mar. 5, 1968, has indicated the appropriate international class in all publications and on all issued registrations and renewals as a subsidiary classification. Based on this experience and the comments received, it is now believed that adoption of the international schedule as the primary classification system is desirable. The international system is easier to administer because of fewer classes of goods and the availability of an alphabetical listing of goods and services.

The Nice Agreement provides for an International Committee of Experts whose objective is to keep the classification current. The classification of specific goods and services is set forth in the Alphabetical List entitled "International Classification of Goods and Services to Which Trademarks Are Applied" (published by the World Intellectual Property Organization). In addition, the International Trademark Classification List contains the names of the classes setting forth the basic contents of each class. The Alphabetical List also comprises explanatory notes which serve as guidelines for determining the appropriate international class for a specific product or service.

The alphabetical listing within the International Trademark Classification Manual is currently used by the Office as a guideline for determining the degree of particularity of identification of goods. See "Identification of Goods and Services in Trademark Applications," 36 F.R. 13232; July 16, 1971.

Applications for registrations filed on or after Sept. 1, 1973, and registrations issuing thereon, will be classified according to the international classification set forth in the new § 6.1. Accordingly, the international classification is adopted under Section 30 of the Trademark Act of all purposes under the statute and rules; and, therefore, will be the criterion for determining, *inter alia*, fees.

Applications for the registration of marks filed on or before Aug. 31, 1973, appeals or petitions to revive or oppositions filed in connection with said applications, and affidavits, renewals and petitions for cancellation filed in connection with registrations issuing thereon, will continue to be processed under the classification system existing at the time the mark was registered.

All applications which are published and registrations which are issued will carry both the appropriate international classification and existing U.S. classification number.

An insufficient fee, in connection with an appeal or opposition on any application or in connection with an affidavit or renewal filed in connection with any registration, will not render the same unacceptable, if the proper fee is submitted within a time limit set forth in a notification of the defect, providing the proper fee for at least one class has been originally submitted within the applicable time limit. This will be the case even if the full fee is not received within the sixth year in the case of an affidavit filed under Section 8 or before the end of the twentieth year, including the grace period, in the case of renewal applications, or within the six-month statutory response period in the case of an appeal, or within the thirty-day opposition period, or any extension thereof in the case of the filing of an opposition.

The existing classification system will continue to be used for searching registered and pending marks until all documents in the search file are organized on the basis of the international system of classification. Until this changeover is effected, the U.S. class designation will continue to be printed on all published applications and registrations issued under the existing or the international classification system to facilitate searching on the basis of the existing U.S. system of classification.

Until all applications filed on or before Aug. 31, 1973, have been disposed of, the trademark sections of the *Official Gazette*, which are organized by class, will include two sections: one for applications published or registrations issued on the basis of applications filed on or before Aug. 31, 1973, organized by class according to the U.S. schedule of classes; the other section for applications published or registrations issued on the basis of applications filed on or after Sept. 1, 1973, organized by class according to the new international schedule.

Certification marks and collective membership marks will continue to be classified as set forth in redesignated §§ 6.3 and 6.4.

Efforts will be made to have the International Trademark Classification List printed by the Government Printing Office or otherwise assure the availability of the List from local sources. Notification will appear in the *Official Gazette* when the List is available from local sources of the Government Printing Office.

The English edition of the "International Classification of Goods and Services to Which Trademarks Are Applied" can presently be ordered from:

Sales Branch, The Patent Office, Block C
Station Square House, St. Mary Cray
Orpington, Kent, England

Certain modifications and additions to the international trademark classification have been published as supplements and are also available from the British Office. In addition, and inasmuch as the World Intellectual Property Organization (WIPO) has issued the List in several languages, it is anticipated that an English version will be published by that organization.

We have been advised by the Patent Office of the United Kingdom that the only acceptable methods of payment for the International Trademark Classification List are by International Postal Money Order or by banker's draft payable in sterling and drawn on a bank in the United Kingdom.

* * * * *

ROBERT GOTTSCHALK,
Commissioner of Patents.
May 14, 1973.

BETSY ANCKER-JOHNSON,
Assistant Secretary for
Science and Technology.

Published in 38 F.R. 41681, June 4, 1973

[911 O.G. TM 210]

(Note: Rule 2.85 (Classification schedules) was revised and Rule 6.1 (International schedule of classes of goods and services) was established as of September 1, 1973 by this notice; prior U.S. schedule of classes was redesignated as Rule 6.2.)

(200) Wording In Verification or Declaration of Trademark Application

Applicants and attorneys are requested to use the following wording in the part of the verification or declaration of the trademark application which indicates the signer's belief that the mark applied for does not resemble another person's mark:

—that no other person, firm, corporation, or association, to the best of his knowledge and belief, has the right to use such mark in commerce either in the identical form thereof or in such near resemblance thereto as to be likely, when applied to the goods of such other person, to cause confusion, or cause mistake, or to deceive: —

The wording emphasized conforms to the language of both Sections 1(a)(1) and 2(d) of the Trademark Act of 1946.

Some applicants and attorneys, instead of using the wording emphasized above, are still using the now obsolete wording "as might be calculated to deceive" which was promulgated in the forms under the Trademark Act of 1905 and inadvertently continued by the Act of 1946 up to October 1962 in Section 1(a)(1) and in the forms connected with the Act. Section 1(a)(1) of the 1946 Act was amended by Act of October 9, 1962 (Public Law 772, 87th Congress, 76 Stat. 769) to conform it to the language of Section 2(d) of the 1946 Act, since the language of Section 2(d) reflects the thinking at the time the 1946 Act was written. The wording of the trademark forms for the 1946 Act has also been amended appropriately.

It is desirable that proper wording be used. However, since the differences in wording referred to above are considered to

be differences of form rather than of substance. Examiners will not require new verifications or declarations. When the obsolete wording is observed and a letter is to be written for other reasons, Examiners will at that time call attention to the fact that the wording is obsolete and should be modified in applications in the future.

Mar. 25, 1974.

RENE D. TEGTMEYER,
*Assistant Commissioner
for Trademarks.*

[921 O.G. TM 186]

(201)

Standardized Disclaimers

Beginning with the Nov. 9, 1982 issue of the *Official Gazette*, disclaimers in marks published for opposition and in those registered on the Supplemental Register will be printed in a standardized form, regardless of the text submitted. Certificates of registration for marks issued on the Supplemental Register will also contain the standardized disclaimer as of that date. Certificates of registration for marks issued on the Principal Register will contain the uniform statement beginning Feb. 1, 1983. The disclaimed matter will be taken from the disclaimer of record and inserted into a standardized disclaimer for printing and data base purposes. The new disclaimer text will take the following form:

No claim is made to the exclusive right to use
apart from the mark as shown.

Aug. 30, 1982.

MARGARET M. LAURENCE,
*Assistant Commissioner
for Trademarks.*

[1022 TMOG 44]

(202) Trademark "Revivals" and "Reinstatements"

It would be of great assistance to the Office if the heading or caption of "Petitions to Revive" or "Requests for Reinstatement" of abandoned trademark applications carried the following identifying data:

1. Address Paper to the Attention of:
Office of Director, Trademark Examining Operation
2. Serial Number
3. Mark
4. Applicant's Name
5. A title indicating the nature of the paper

Use of this heading for "Petitions to Revive" or "Requests for Reinstatement" of abandoned trademark applications will help ensure that the papers are promptly routed to the proper Office, which will prevent needless delay in its consideration.

Aug. 13, 1984.

MARK M. NEWMAN,
*Director, Trademark
Examining Operation.*

[1046 TMOG 13]

(203) T-Search Printouts as Section 2(d) References

As part of its ongoing automation program, the PTO is pleased to announce that on or about July 1, 1986, Trademark Examining Attorneys will use the automated Trademark search system (T-Search) exclusively for searching word marks. The Examining Attorneys will use computer printouts to advise applicants about Section 2(d) references. The printouts will include computer-generated facsimiles of the drawing where appropriate. The printouts will be used for word marks, whether the word is depicted in a typed drawing or in stylized form.

Photocopies of certificates of registration will continue to be used for design marks.

The Patent and Trademark Office, in consultation with the Public Advisory Committee for Trademark Affairs, has established accuracy standards for the computerized data. Data elements which are not essential for examiner searching are being systematically checked and corrected. The following data elements which are essential for examiner searching purposes are essentially complete:

1. MARK
2. SERIAL NUMBER
3. REGISTRATION NUMBER
4. FILING DATE
5. REGISTRATION DATE
6. GOODS AND SERVICES
7. INTERNATIONAL CLASS
8. U.S. CLASS

Subject to the above caveat, the printouts will contain all the information that appears on the certificate of registration with one exception. If an application for registration was based on Section 44, 15 U.S.C. 1126, the printout will indicate that the registration or application was filed under the provisions of Section 44 (using the notation "SECT 44"). The printout will also show the priority date if the application was filed under the provisions of Section 44(d). However, it will not indicate the country or certificate number of the foreign registration on which the U.S. registration was based.

The printouts will also contain additional registration information which was not provided under the non-automated system, as follows:

- A. Change in registration—This will indicate that a registration was changed after registration, such as by an amendment of the mark or identification of goods/services. The current information will be displayed in the printout.
- B. Affidavits—This indicates that a Section 8 affidavit of continued use was accepted, that a Section 15 affidavit of incontestability was acknowledged, or that a mark was republished under the provisions of Section 12(c).
- C. Renewals—Applicable renewal information, such as "1st Renewal" or "2nd Renewal" will be shown.
- D. Owner—In addition to listing the original registrant, the last known owner, as the change of ownership is acknowledged by the Office by virtue of examining an affidavit or renewal, will be included.

The following provides an explanation of the terms/symbols used in the printout:

1. Goods or services appearing in double parentheses "(())" were not included in a Section 15 affidavit.
2. Goods or services appearing in brackets "[]" were deleted after registration by amendment, correction, restriction or at the time of renewal.
3. Dates will appear as year, month and day. For example, June 20, 1983 will appear as 1983.06.20.
4. Goods and services will be indicated with the international class (IC), the prior U.S. classification (US), the identification, date of first use and date of first use in commerce.
5. Registrants (OWNER) will be listed showing the owner's name, entity designation (e.g., individual, partnership, corporation), country of citizenship or state or country of incorporation, and address.
6. Pseudo mark—This material is merely a search aid and has no bearing on the registration information.
7. Design search code—This is also merely an aid for computerized searching of design marks, by which a number is assigned to describe a particular design element. It has no bearing on the registration information.
8. Mark drawing code—This indicates the appearance of the mark, and again is not part of the registration data. There are six mark drawing codes.

- 1—typed drawing
- 2—design only
- 3—words, letters and/or numbers and design
- 4—words, letters and/or number in block form (block letters; not typed drawing)
- 5—words, letters and/or numbers in a stylized form
- 6—sound marks

An example of a computer printout and a facsimile of a stylized word mark follow.

June 23, 1986.

MARGARET M. LAURENCE,
Assistant Commissioner
for Trademarks.

Document 1 of 1 for SS 1:	FD 1351766/RN,SN
WORD MARK	LINEA ADRIANO
TRANSLATION	THE WORDS "LINEA ADRIANO". IN THE MARK MAY BE TRANSLATED INTO ENGLISH AS "LINE HADRIAN"
GOODS AND SERVICES	IC 025; US 039; G & S: ARTICLES OF CLOTHING FOR MEN, NAMELY JACKETS, COATS, SUITS, TROUSERS, JUMPERS, SHIRTS AND TIES
MARK DRAWING CODE	(5) WORDS, LETTERS, AND/OR NUMBERS IN STYLIZED FORM
SERIAL NUMBER	73-446850
FILING DATE	1983.10.06
CHANGE IN REGISTRATION	CHANGE IN REGISTRATION HAS OCCURRED
REGISTRATION NUMBER	1351766
REGISTRATION DATE	1985.07.30
OWNER NAME AND ADDRESS	(REGISTRANT) RITEX AG KLEIDERFABRIK ZOFINGEN CORPORATION, SWITZERLAND FUNKENSTRASSE 10 ZOFINGEN AARGAU SWITZERLAND
SECTION 44 INDICATOR	SECT 44
FOREIGN PRIORITY DATES	1983.06.20
DISCLAIMER	NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "LINEA" APART FROM THE MARK AS SHOWN
TYPE OF MARK	TRADEMARK
REGISTER	PRINCIPAL

TME 59196

73446850

Linea Adriano

(204) **Trademark Drawings**

Effective July 3, 1989, the requirement of Trademark Rule 2.52(c) (37 CFR {g49 2.52(c)}) that drawings in trademark applications be limited in size to 4 inches by 4 inches will be strictly enforced for the purpose of assigning a filing date, pursuant to Trademark Rule 2.21(a)(3) (37 CFR {g49 2.21(a)(3)}). [This notice rescinds the prior notice concerning this issue in the *Official Gazette* of June 30, 1987, at 1079 TMOG 12.]

The drawing size limitation is necessary to permit entry of the drawing in the automated trademark search system (T-Search) as soon as possible after receipt of the application by the Patent and Trademark Office (PTO). Oversized or poor quality drawings require additional processing before they can be digitized (copied) and entered in T-Search. If the PTO must reduce a drawing, not only is there often a loss of detail and overall drawing quality, but drawing reduction processing lengthens the time before the mark and information about the application are available to the public. Furthermore, an oversized drawing that is not reduced by the PTO cannot be scanned in its entirety for entry in T-Search, resulting in the possible loss of portions of the mark.

Enforcement of the drawing size limitation rule as a requirement for receipt of a filing date will permit the PTO to expedite application processing and permit the applicant to control the reduction process and, thus, control the quality of the representation of the mark as it will appear in T-Search, in the *Official Gazette*, and on the registration certificate.

The Trademark Law Revision Act of 1988 [Title 1 of Pub. L. 100-667, 102 Stat. 3935 (15 U.S.C. 1051)] will be implemented on Nov. 16, 1989. Two important provisions of the new law are that (1) an application for registration of the Principal Register may be filed based upon a bona fide intention to use a mark in commerce (15 U.S.C. 1051(b), as amended), and (2) for all applications filed on or after Nov. 16, 1989, upon the registration of a mark on the Principal Register, the application filing date becomes a constructive date of first use of the mark (15 U.S.C. 1057(c), as amended). Therefore, expedited processing to permit timely public notification of the filing of an application on the Principal Register will be particularly important.

JEFFERY M. SAMUELS
Assistant Commissioner
for Trademarks

Apr. 3, 1989

[1102 TMOG 6]

(205) **Typed Drawings in Trademark Applications**

Trademark Rule 2.51(e), 37 C.F.R. §2.51(e), permits submission of certain drawings in typed form. However, typefaces currently available on typewriters and word processors may give the appearance of special form. Therefore, in order to avoid confusion as to whether or not a drawing is intended to show special form, all typed drawings should be depicted in a standard type which does not give the appearance of special form.

A special form drawing must be submitted if the mark contains any special character, feature or form which cannot be represented by means of typing in pica or elite type. Typing is inappropriate if the mark contains numeric exponents, foreign characters or punctuation marks other than those listed below:

. ? " - ; (% \$ @ + , ! ' : /) & # * =

Diacritical marks such as the German umlaut, the Spanish tilde and the French accents are permitted if they can be typed in pica or elite type.

Jan. 8, 1992

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1135 TMOG 44]

(206) **Trademark Drawing Requirements**
Trademark Rule 2.52, 37 C.F.R. §2.52

For an application to satisfy the filing date requirement under Trademark Rule 2.21(a)(3), 37 C.F.R. §2.21(a)(3), it must include a drawing of the mark substantially meeting all the requirements of Trademark Rule 2.52, 37 C.F.R. §2.52. Because the granting of a filing date to an application potentially establishes a date of constructive use of the mark, timely public notification of the filing of applications is important. Marks must be accurately and expeditiously entered into the automated search system and filed in the Trademark Search Library.

The purpose of this notice is to identify recurring problems which have resulted in the loss of filing dates for failure to comply with Rule 2.21(a)(3).

Color in the Mark

Rule 2.52(a) requires that every line and letter in a drawing, including color lining and lines used for shading, must be black. Color in a mark can be shown only by using the linings depicted in the color chart in Rule 2.52(e). This requirement is strictly enforced. The Office denies filing dates to applications where color appears on the drawing.

Drawing Size

The requirement of Rule 2.52(c) that the mark on a drawing be limited in size to 4 inches wide by 4 inches high continues to be strictly enforced. *In re Fuller-Jeffrey Broadcasting Corp. of Santa Rosa*, 16 USPQ2d 1456 (Comm'r Pats. 1990). See *Official Gazette Notice* at 1102 TMOG 6.

Two Drawings Submitted With One Application

A single application may seek registration of only one mark. Therefore, as a matter of policy, the Office denies a filing date to any application which is accompanied by two drawings, each displaying a different mark.

Heading

Rule 2.52(d) requires that the drawing include a heading which lists the applicant's name and address, the goods and services, the dates of first use of the mark for an application based on use in commerce under 15 U.S.C. §1051(a), and the priority filing date for an application based upon a foreign application under 15 U.S.C. §1126(d). If the heading is omitted in its entirety, a filing date is denied to the application. See *In re Hackmack*, 16 USPQ2d 1895 (Comm'r Pats. 1990).

Two Page Drawings in Trademark Applications

The Office denies a filing date to any application in which the mark does not appear on the first page of the drawing.

Rule 2.52(d) requires that the drawing include a heading which lists, among other things, the goods and services for which registration is sought; and Rule 2.52(c) requires that there be a margin of at least one inch on the sides and bottom of the paper, and at least one inch between the mark and the heading.

Implicit in Rule 2.52 is a requirement that the mark and heading appear on a single page, in all but the most exceptional circumstances. There is an administrative need for a filing system that utilizes single page drawings, to expedite filing of mark drawings in the Trademark Search Library and entry of accurate information into the automated database. More importantly, there is a risk that the individual pages from multi-page drawings might become detached and separated in the Index of Pending Applications.

Historically, the Office has permitted the filing of drawings in which the heading continues onto a second page only where the goods and services covered by the application are so numerous that they cannot be listed within the heading margins on a single page. *Trademark Manual of Examining Procedure* §807.02.

Although the Office prefers that the identification of goods or services in such cases be abbreviated so that the entire drawing will fit onto one page, the Office will continue to accept drawings on which the list of goods or services continues onto a second page, in appropriate circumstances.

If the goods and services are abbreviated in the drawing heading, as recommended here, this will in no way limit the goods and services covered by the application. For purposes of determining the goods and services covered by an application, the written application is always controlling. *See In re Tokiwa Mfg. Co. Ltd.*, 21 USPQ2d 1395 (Comm'r Pats. 1991).

If an applicant deems it to be necessary, the heading of a drawing may be continued onto a second page. However, in all cases, the mark and a portion of the heading must appear on the first sheet. The Office denies a filing date to any application which fails to display the mark, in accordance with the size and margin requirements of Rule 2.52(c), on the first page of the drawing. This requirement is strictly enforced.

May 8, 1992

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

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Examination Guide

The following examination guide concerns the implementation of The Trademark Law Revision Act of 1988, Public Law 100-667, 102 Stat. 3935, and the amended Rules of Practice in Trademark Cases, 37 C.F.R. Part 2, which take effect on November 16, 1989. The guide is to be used in conjunction with Revision 7 to The Trademark Manual of Examining Procedure.

The guide presents a comprehensive statement of the revisions to Office policy and procedure related to the referenced amendments to the Trademark Act and rules. To the extent that the policies stated in the guide conflict with policies set forth in Revision 7, the provisions of the guide are controlling. Those policies set forth in Revision 7 which do not conflict with the guide remain operative.

Oct. 16, 1989

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**EXAMINATION GUIDE 3-89
IMPLEMENTATION OF THE
TRADEMARK LAW REVISION ACT OF THE 1988
AND THE
AMENDED RULES OF PRACTICE
IN TRADEMARK CASES
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Preface

On November 16, 1988, the President signed The Trademark Law Revision Act of 1988 into law, Public Law 100-667, 102

Stat. 3935 (the 1988 amendments). The 1988 amendments, which take effect on November 16, 1989, represent the most significant reform in United States trademark law since the enactment of The Trademark Act of 1946, 15 U.S.C. Section 1051 *et seq.* (the Act). The principal purpose of this examination guide is to provide a comprehensive statement of revisions to Office policy and procedure associated with the 1988 amendments.

The Rules of Practice in Trademark Cases, 37 C.F.R. Section 2.1 *et seq.*, have also been revised effective November 16, 1989, principally to incorporate the provisions of the 1988 amendments. The rules were also revised to update Office policy in other respects. These additional revisions bring the rules into conformity with current Office practice in several areas and reflect changes in practice dictated by decisions such as the Trademark Trial and Appeal Board decision in *Crocker National Bank v. Canadian Imperial Bank of Commerce*, 223 USPQ 909 (TTAB 1984). This guide will also set forth these additional revisions to Office policy and procedure reflected in the rules. The revisions discussed here were published in final form on September 11, 1989, with the exception of the revisions to Trademark Rules 2.42 and 2.186, 37 C.F.R. Sections 2.42 and 2.186, which were published in final form on August 22, 1989, in conjunction with other revisions related to proceedings before the Trademark Trial and Appeal Board. All revisions published on both dates take effect on November 16, 1989. References in this guide to the rules relate to the rules as amended on November 16, 1989.

The most significant amendment to the Act is a provision permitting the filing of applications to register marks on the Principal Register based on a bona fide intention to use a mark in commerce, before actual use (intent-to-use applications). The examination guide will discuss the administration of this provision in detail. However, intent to use and other provisions of the 1988 amendments required revisions in policies and procedures affecting virtually all applications and all aspects of processing. Please read the entire guide carefully to become familiar with all of the provisions.

The first major section of the guide presents the requirements, policies and procedures related to intent-to-use applications. The second major section addresses provisions affecting all applications. The next two sections address provisions related to other specific types of applications, and the final section addresses multiple bases and changes in the basis for registration.

The policies set forth in this guide apply to all applications, affidavits and renewals filed on or after November 16, 1989, unless specifically indicated otherwise. The stated policies also apply to any action taken on or after November 16, 1989, with respect to applications filed before that date, unless specifically indicated otherwise. To the extent that the policies and procedures set forth in this examination guide conflict with policies or procedures set forth in the Trademark Manual of Examining Procedure (TMEP) or other statements of Office policy, the provisions of this examination guide are controlling. Note especially the discussion below concerning the application of the rule restricting amendments to the identification of goods and services to pending applications.

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Policy and Procedure*

DAVID E. BUCHER
*Director,
Trademark Examining Operation*

A. INTENT-TO-USE APPLICATIONS**1. General Overview****a. Summary of Application Flow**

The 1988 amendments revise Section 1 of the Act to permit filing of an application to register a mark on the Principal Register based on a statement of a bona fide intention to use the mark in commerce. Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). The Act, as amended, further requires that such an applicant use the mark in commerce before issuance of the

registration. The Act thus requires that the applicant file either an amendment to allege use or a statement of use before, and as a precondition to, the issuance of the registration. Trademark Act Sections 1(c) and 1(d), 15 U.S.C. Sections 1051(c) and (d).

The principal difference between the amendment to allege use and the statement of use is the time of filing. The amendment to allege use may be filed during initial examination, that is, after filing of the application but before either approval of the mark for publication or the expiration of the response period after issuance of a final action. Trademark Rule 2.76 (a), 37 C.F.R. Section 2.76(a). If the amendment to allege use is acceptable and the application is otherwise in condition for publication, the mark will be published for opposition. After publication, the application will be processed in the same manner as an application based on use. If the application is not opposed, or if the applicant prevails in all oppositions filed, the application will proceed to registration.

If the applicant does not file an acceptable amendment to allege use during initial examination or if it is withdrawn, and the application is otherwise in condition for publication, the mark will be published for opposition. If the application is not opposed, or if the applicant prevails in all oppositions filed, the Office will issue a notice of allowance under Trademark Act Section 13 (b)(2), 15 U.S.C. Section 1063 (b)(2). The applicant must file a statement of use within six months of the issuance of the notice of allowance or within an extension of time granted for filing of the statement of use. Trademark Act Section 1(d), 15 U.S.C. Section 1051(d). The applicant may not file the statement of use before issuance of the notice of allowance. Trademark Rule 2.88(a), 37 C.F.R. Section 2.88(a). This period after approval for publication and before issuance of the notice of allowance during which the statement of use may not be filed is referred to as the blackout period. The statement of use will be examined as discussed below.

The applicant may request extensions of time for filing the statement of use under Trademark Act Section 1(d), 15 U.S.C. Section 1051(d). The applicant may request one six-month extension without a showing of good cause and four additional six-month extensions with a showing of good cause. Trademark Rule 2.89, 37 C.F.R. Section 2.89. Extensions of time are discussed below in detail (A.7.).

Please note that any reference to "initial examination" refers to examination of an intent-to-use application before approval for publication. The examination after filing of the statement of use will be referred to as "examination of the statement of use." Also, please note that the "notice of allowance" refers to a new document required under the 1988 amendments. To avoid confusion, the term "allowance" will be used only in reference to this document and this phase of processing intent-to-use applications. Therefore, this guide will use the term "approval for publication" rather than "allowance for publication" to avoid any confusion with the notice of allowance.

As discussed in more detail below, the examining attorney must raise and dispose of all possible issues in the application during the initial examination. During examination of the statement of use, the examining attorney may not issue requirements or refusals which could or should have been presented in the initial examination unless the failure to do so initially was a clear error as defined below (A.9.b.).

The Office has established a special intent-to-use unit (ITU Unit) to process certain papers. Paralegals in the ITU Unit will review all statements of use to determine whether they meet the minimum requirements to be forwarded for examination on the merits, in the same way that the Application Section reviews the initial application for compliance with filing requirements. If the statement of use meets the minimum requirements, it will be referred to the examining attorney in the law office for examination on the merits. The paralegals in the ITU Unit will also review and act on all requests for extensions of time to file statements of use.

b. Constructive Use Priority

Trademark Act Section 7 has also been amended to provide that the filing of *any* application for registration on the Principal Register, including an intent-to-use application, constitutes constructive use of the mark, provided the application matures into a registration. Trademark Act Section 7(c), 15 U.S.C. Section 1057(c). Upon registration, filing thus affords the applicant

nationwide priority over others except parties who had used the mark before the applicant's filing date, parties who had filed in the Office before the applicant or parties who are entitled to an earlier priority filing date based on the filing of a foreign application under Trademark Act Section 44(d), 15 U.S.C. Section 1126(d).

The Office will not amend the filing date of any application filed before November 16, 1989, to a date on or after November 16, 1989, for the purpose of affording the applicant whatever benefit the constructive use date may provide.

c. Application Requirements

Intent-to-use applications must comply with all of the requirements of the Act and relevant regulations in all respects except as specifically noted in this guide. For example, the provisions of Sections 2(e)(1), 2(e)(2) and 2(e)(3) apply to intent-to-use applications as well as to other applications. This section of the guide will focus on those requirements, policies and procedures related to intent-to-use applications which differ from those related to the filing and processing of other applications.

d. Applications Not Accepted Until Effective Date

The Office will not accept any intent-to-use applications filed before November 16, 1989. If any such application is received before that date, the Office will return the application. If an intent-to-use application filed before the effective date reaches the examining attorney in error, the examining attorney should return the case to the Application Section for appropriate action. However, if the examining attorney has already issued an action, the examining attorney should issue a new action refusing registration because the application was void as filed.

Intent-to-use applications executed before the effective date, but filed on or after the effective date, will be accepted. However, the examining attorney will determine whether the time between execution and filing is within Office guidelines for all applications. See TMEP section 803.04. The applicant may reexecute the declaration verifying its statement of a bona fide intention to use the mark in commerce if the examining attorney determines that the delay between execution and filing was unreasonable.

All intent-to-use and Section 44 applicants must file the application within a reasonable time after execution to ensure the statement of intent is valid at the time of filing. The guidelines governing the reasonableness of the lapse of time are the same as those which apply to use applicants.

e. Good Faith

The Act specifies that an applicant may file an application based on a bona fide intention to use a mark in commerce "...under circumstances showing the good faith of such person." Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). The Office will *not* evaluate the good faith of an applicant in the ex parte examination of applications. The applicant's sworn statement of a bona fide intention to use the mark in commerce will always be sufficient evidence of good faith in the ex parte context. Consideration of issues related to good faith is appropriate in an inter partes proceeding.

2. Filing-Date Requirements

Trademark Rule 2.21, 37 C.F.R. Section 2.21, sets forth the minimum requirements for receiving a filing date for an intent-to-use application as well as other types of applications. These minimum formal requirements do not include all of the requirements which may ultimately apply for registration of the mark, but merely those requirements which must be met to receive a filing date. Please note the discussion below of those requirements for receiving a filing date which apply to all applications, in particular, the requirement that the application include a declaration or verification signed by the applicant to receive a filing date (B.1.).

With specific reference to intent-to-use applications, the application must include the following elements to receive a filing date: the name of the applicant; the name and address to which communications can be directed; a drawing of the mark substantially meeting all of the requirements of Trademark Rule 2.52, 37 C.F.R. Section 2.52; an identification of goods or

services; a claim of a bona fide intention to use the mark in commerce; a verification or declaration under Trademark Rule 2.33(b), 37 C.F.R. Section 2.33(b), *signed by the applicant*; and the required filing fee for at least one class of goods or services.

In the case of an intent-to-use application, as in the case of all applications, if the application lacks any of the elements specified as necessary to receive a filing date, the application will be denied a filing date and all papers returned to the applicant with an explanation as to the deficiency. TMEP section 704. If an application which lacks one or more of the elements required for receiving a filing date is referred to the law office for examination in error, the examining attorney should return the case to the Application Section for appropriate handling. If the examining attorney discovers that an element was lacking after taking an action in the case, the examining attorney should issue a refusal on the ground that the application was not eligible to receive a filing date. TMEP section 705.02.

The fee for filing an intent-to-use application is the same as the filing fee for any other application, \$175.00 per class.

3. Application Requirements - Initial Examination

In an intent-to-use application, the examining attorney will potentially examine both the application and a statement of use. After receipt of the application, the Office will perform the initial examination of the application to determine whether the mark is eligible for registration, but for the lack of use. If it is found to be eligible, the mark will be approved for publication and published for opposition. If the applicant has not submitted an amendment to allege use before publication, and the application is not opposed or survives all oppositions filed, the Office will issue a notice of allowance. Trademark Act Section 13(b), 15 U.S.C. Section 1063(b); Trademark Rule 2.81, 37 C.F.R. Section 2.81. In such a case, the applicant must submit a statement of use. Trademark Act Section 1(d)(1), 15 U.S.C. Section 1051(d)(1); Trademark Rule 2.88, 37 C.F.R. Section 2.88. If an amendment to allege use is filed and accepted, the application will be processed in the same manner as a use application from that point forward.

This section addresses examination before publication only; a later section will discuss the filing and examination of the statement of use after issuance of the notice of allowance.

The examining attorney must examine and act on all possible issues in the initial examination of the application. The intent-to-use application is subject to the same requirements and examination procedures as all other applications, except as specifically noted.

a. Drawings

The examination of the drawing in initial examination, before submission of any amendment to allege use and specimens, will focus primarily on the form of the drawing and compliance with Trademark Rule 2.52, 37 C.F.R. Section 2.52. The examination of the drawing after submission of an amendment to allege use is discussed below (A.4.d.iv.). As in any other application, the applicant may not amend the mark in a drawing if the amendment constitutes a material alteration of the mark. *In re The Wine Society of America, Inc.*, Serial No. 662,515 (TTAB, April 6, 1989). The applicant may not add or delete matter if the amendment would alter the character of the mark.

Please note the discussion below concerning the requirement in all applications that special-form drawings not exceed four inches by four inches to receive a filing date (B.1.b.).

b. Statutory Averments and the Identification of Goods and Services

The application must include a statement that the applicant has a bona fide intention to use the mark in commerce with respect to specific goods and services as well as the other averments specified in Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). Trademark Rule 2.33(b)(2), 37 C.F.R. Section 2.33(b)(2). If the application does not include the averments, the examining attorney must require a new verification including all necessary averments.

The general requirements related to identification of goods and services discussed below apply to intent-to-use applications as well as to all other applications. Under Trademark Rule

2.71(b), 37 C.F.R. Section 2.71(b), "the identification of goods or services may be amended to clarify or limit the identification, but additions will not be permitted." The policies governing the application of this revised rule are discussed in detail below (B.6.) with examples and merit special attention.

Furthermore, under long-standing Office policy, the identification of goods and services must be specific and definite. Cf. *In re Societe Generale des Eaux Minerales de Vittel S.A.*, 1 USPQ2d 1296 (TTAB 1986), *rev'd on other grounds*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987).

As noted above, the Office will not examine the applicant's good faith in relation to the identification of goods or services or otherwise. Consideration of this issue is more appropriate in an inter partes proceeding.

In suggesting identifications, examining attorneys should not be overly restrictive. See *In re Sentry Chemical Company*, 230 USPQ 556 (TTAB 1986).

Because applicants may only limit or clarify the goods and services, the examining attorney should provide appropriate cautions to the applicant in requiring amendment to the identification of goods and services. When appropriate, the examining attorney should advise the applicant that goods or services explicitly deleted by amendment may not be reinserted at a later point in prosecution. Examining attorneys should take particular attention in the case of pro se applicants to ensure that they are aware of the restrictions related to amendments to the identification of goods and services.

c. Examination for Use as a Trademark or Service Mark

The Office will *not* examine the issue of use as a trademark or service mark in the initial examination of an intent-to-use application unless the applicant has submitted specimens of use in conjunction with an amendment to allege use under Section 1(c). However, as noted below (A.4.d.), if the applicant withdraws an amendment to allege use, the specimens remain of record, but the examining attorney may not consider or act on any such specimens in relation to the issue of use.

d. Examination under Sections 1, 2(a), 2(b), 2(c) and 2(e)

To the fullest extent possible, the examining attorney will examine the intent-to-use application for registrability under Trademark Act Sections 1, 2(a), 2(b), 2(c) and 2(e), 15 U.S.C. Sections 1051, 1052(a), (b), (c) and (e), according to the same procedures and standards which apply to any other application. The examining attorney should investigate all possible issues regarding registrability under these sections through all available sources. If appropriate, the examining attorney should request that the applicant provide literature or explanation concerning these issues under Trademark Rule 2.61(b), 37 C.F.R. Section 2.61(b). The examining attorney should request such information relevant to the types of goods or services or the trade, in general, or similar general information. The examining attorney should not request information regarding use of the specific mark in relation to the goods or services.

First and foremost, the examining attorney must develop evidence during the initial examination from sources other than the applicant. The examining attorney may not make any inquiry or request any information premised on use of the mark before the applicant files an amendment to allege use. If the applicant submits an amendment to allege use during the initial examination, the examining attorney may then obtain relevant information from the applicant in the same manner as would apply in any application based on use unless the amendment to allege use is withdrawn.

The examining attorney must raise all possible issues under these sections in the initial examination of the application. As discussed more fully below (A.9.), Office policy precludes the issuance of a requirement or refusal during examination of the statement of use if the issue could or should have been treated in the initial examination, unless the failure to do so in initial examination constitutes a clear error. "Clear error" means an error which, if not corrected, would result in issuance of a registration in violation of the Act. The meaning and application of this standard are discussed in detail below (A.9.b.).

e. Examination under Section 2(d)

The examining attorney will perform a search and will issue refusals, as appropriate, under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d), in the case of an intent-to-use application. The determination of likelihood of confusion under Section 2(d) in an intent-to-use application does not differ from the determination in any other type of application. The examining attorney should consider questions concerning the scope of the goods and services and related goods and services in determining likelihood of confusion under the standards which have historically governed in applications based on use or based on a foreign application or registration.

For the purpose of determining priority among pending applications, the intent-to-use application will be treated in the same manner as any other application. For purposes of publication for opposition, an intent-to-use application will receive priority over any application which has an effective filing date later than the intent-to-use application.

For the purpose of determining priority between two applications which have the same filing date, the application with the earlier date of execution will be accorded priority for purposes of publication for opposition. Trademark Rule 2.83(b), 37 C.F.R. Section 2.83(b). This would apply whether one or both of the applications are intent-to-use applications.

Also, an intent-to-use application, like any other application, cannot serve as the basis for a formal refusal under Section 2(d) until the application has matured into a registration.

f. Claims of Acquired Distinctiveness under Section 2(f)

An intent-to-use applicant may not assert that a nondistinctive designation has acquired distinctiveness under Trademark Act Section 2(f), 15 U.S.C. Section 1052(f), until the applicant has submitted an amendment to allege use or a statement of use. A claim of acquired distinctiveness, by definition, requires prior use. Section 2(f) is limited by its terms to "a mark used by the applicant." Therefore, the examining attorney should reject any claim of acquired distinctiveness filed before submission of an acceptable amendment to allege use or statement of use. The examining attorney should consider and act on any claim of acquired distinctiveness filed after such time in the same manner and according to the same standards which would apply to any other application.

Please note the discussion below of the revision regarding five-year claims of acquired distinctiveness (B.7.).

g. Intent-to-Use Applications and the Supplemental Register

An intent-to-use applicant may not seek registration on the Supplemental Register until the applicant has submitted either an acceptable amendment to allege use or statement of use. Trademark Rule 2.75(b), 37 C.F.R. Section 2.75(b). Only applications under Trademark Act Section 44, 15 U.S.C. Section 1126, are excepted from the use requirement in seeking registration on the Supplemental Register. Trademark Act Section 44(e), 15 U.S.C. Section 1126(e).

If an applicant submits an application for the Supplemental Register based on intent to use, the Office will reject the application because it was void as filed and will return all papers to the applicant with any fees submitted. If any such application reaches an examining attorney in error, the examining attorney should return the papers to the Application Section for appropriate action.

If an intent-to-use applicant does file an acceptable amendment to allege use or statement of use and an acceptable amendment to the Supplemental Register, the Office will change the effective filing date of the application to the date of the filing of the amendment to allege use or the statement of use. Trademark Rule 2.75(b), 37 C.F.R. Section 2.75(b). The examining attorney must ensure that the effective filing date has been changed.

The amendment to allege use or statement of use should be examined before any action is taken on an amendment to the Supplemental Register.

4. Amendments to Allege Use under Section 1(c) of the Act

As stated earlier, an intent-to-use applicant must file either an amendment to allege use under Trademark Act Section 1(c), 15 U.S.C. 1051(c), or a statement of use under Trademark Act

Section 1(d), 15 U.S.C. Section 1051(d), as a precondition to issuance of the registration. This section will discuss amendments to allege use only; the statement of use will be discussed below (A.8. and 9.).

a. Form and Permissible Time Period for Filing an Amendment to Allege Use under Section 1(c) of the Act

Any paper which includes an amendment to allege use under Section 1(c) of the Act should be entitled "Amendment to Allege Use" whether or not it includes other amendments. This title should appear at the top of the first page. Trademark Rule 2.76(d), 37 C.F.R. Section 2.76(d). This practice is recommended, not required. It will assist in the prompt and orderly processing of papers. The Office will not take any action to require a proper title.

An applicant may file an amendment to allege use under Section 1(c) of the Act at any time after filing the application and before the date the examining attorney approves the mark for publication or before the expiration of the six-month response period after issuance of a final action. Trademark Rule 2.76(a), 37 C.F.R. Section 2.76(a). If the applicant files an amendment to allege use after the time indicated, and before the permissible period for filing a statement of use, the review and amendment clerk will return the amendment to allege use and any fees to the applicant. The applicant may resubmit the amendment to allege use as a statement of use after issuance of the notice of allowance.

If the applicant submits a late amendment to allege use on the same paper with other amendments, the review and amendment clerk will retain the papers for appropriate processing of the other amendments and will advise the applicant that the amendment to allege use is late and must be resubmitted as a statement of use after issuance of the notice of allowance. The review and amendment clerk will arrange a refund of any fees in conjunction with this notification.

If the amendment to allege use is filed within the time permitted and complies with the minimum requirements to be referred for examination on the merits, but the application was approved for publication before the amendment to allege use was associated with the file, the examining attorney should withdraw the application from publication and examine the amendment to allege use.

If the applicant files the amendment to allege use in conjunction with a notice of appeal, the Trademark Trial and Appeal Board will institute the appeal, suspend action on the appeal and remand the case to the examining attorney to examine the amendment to allege use. The examining attorney should continue examination according to standard examining procedures until final resolution of all new issues arising in the examination of the amendment to allege use.

If the application becomes abandoned in the course of the examination of the amendment to allege use, the examining attorney will advise the Trademark Trial and Appeal Board. If the application is not abandoned in the course of the examination of the amendment to allege use, that is all issues are resolved or made the subject of a final action, the examining attorney should return the application to the Trademark Trial and Appeal Board for resumption of the appeal or other action, as appropriate. Trademark Rule 2.142(f)(3), 37 C.F.R. Section 2.142(f)(3).

The Office will not accept an amendment to allege use during the pendency of an ex parte appeal unless the amendment to allege use was filed within the six-month response period after issuance of the final action from which the appeal was taken.

The applicant may file the amendment to allege use only after the applicant has made use of the mark on or in connection with all goods or services for which the applicant will ultimately seek registration in the application, unless the applicant specifically requests that the application be divided. Trademark Rule 2.76(c), 37 C.F.R. Section 2.76(c). Trademark Rule 2.87, 37 C.F.R. Section 2.87, permits an applicant to divide the application into two or more separate applications. While an applicant can request division for any reason, the purpose of dividing the application in this case would be to effect publication or issuance of a registration for goods or services on or in connection with which the applicant had already made use while maintaining an active application for the remaining goods or services. The requirements attendant to submission of a request to divide an application are discussed more fully below (B.15.).

The filing of an amendment to allege use does not relieve the applicant of the duty to file a response to an outstanding Office action or to take any other action required in the case, including the filing of a notice of appeal. As noted, in the case of an appeal, the Trademark Trial and Appeal Board will remand the case for examination of the amendment to allege use.

b. Necessary Elements in a Complete Amendment to Allege Use under Section 1(c) of the Act

The amendment to allege use must include the following elements:

- i. a verified statement that the applicant is believed to be the owner of the mark and that the mark is in use in commerce, specifying the date of the applicant's first use of the mark and first use of the mark in commerce, the type of commerce, those goods or services specified in the application on or in connection with which the mark is in use in commerce and the mode or manner in which the mark is used;
- ii. three specimens or facsimiles of the mark as used in commerce conforming to the requirements of Trademark Rules 2.56, 2.57 and 2.58, 37 C.F.R. Sections 2.56, 2.57 and 2.58; and
- iii. the prescribed fee.

Trademark Rule 2.76(b), 37 C.F.R. Section 2.76(b).

The fee for filing an amendment to allege use is \$100.00 per class.

c. Minimum Requirements for an Amendment to Allege Use under Section 1(c) of the Act

The amendment to allege use must include the following minimum elements to be referred to the examining attorney for examination on the merits:

- i. the prescribed fee;
- ii. at least one specimen or facsimile of the mark as used in commerce; and
- iii. a verification or declaration signed by the applicant stating that the mark is in use in commerce.

Trademark Rule 2.76(e), 37 C.F.R. Section 2.76(e).

The review and amendment clerk will conduct a preliminary review of the amendment to allege use to determine whether it is timely and complies with the minimum requirements. This preliminary review is similar to the review in the Application Section for filing-date requirements in a new application. If the amendment to allege use is timely and does comply with those requirements, the review and amendment clerk will refer the application to the responsible examining attorney for examination of the amendment to allege use on the merits.

If the amendment to allege use is untimely, the review and amendment clerk will return it to the applicant. If the applicant has submitted other amendments on the same paper with an untimely amendment to allege use, the review and amendment clerk will notify the applicant that the amendment to allege use is untimely and will not be considered and will process the other amendments, as appropriate, without consideration of the amendment to allege use. If a fee has been submitted, the review and amendment clerk will process the refund of the fee. The applicant may resubmit the amendment to allege use as a statement of use after issuance of the notice of allowance. Trademark Rule 2.76(f), 37 C.F.R. Section 2.76(f).

If the amendment to allege use is timely, but does not comply with the minimum requirements specified above, the review and amendment clerk will advise the applicant of the deficiency. The applicant may correct the deficiencies, provided the applicant does so before the mark has been approved for publication or the expiration of the response period after issuance of a final refusal. Trademark Rule 2.76(a), 37 C.F.R. Section 2.76(a). The review and amendment clerk should place the informal amendment to allege use in the file with copies of the relevant action advising the applicant of the deficiencies. If the applicant does not correct the deficiencies before approval of the mark for publication or before the expiration of the response period for a final refusal, the amendment to allege use will not be examined. In such a case, if the applicant has submitted the fee, the fee

will not be refunded. If the mark is published for opposition, the applicant may file a statement of use after issuance of the notice of allowance.

If the amendment to allege use is not signed, the review and amendment clerk will hold it not in compliance with the minimum requirements and will require that the applicant submit a properly signed amendment to allege use. The review and amendment clerk will not inquire into the authority of the person who signed. The examining attorney will examine this issue if and when the amendment to allege use is referred for examination on the merits.

After the review and amendment clerk has taken appropriate action with respect to any deficient amendment to allege use, the review and amendment clerk will process any other amendments filed with the amendment to allege use and will refer the case to the responsible examining attorney for appropriate action on those other amendments.

As noted previously, the filing of an amendment to allege use does not constitute a response to any outstanding Office action in the case. The applicant must respond to any such action within the time provided to avoid abandonment of the application. Trademark Rule 2.76(g), 37 C.F.R. Section 2.76(g).

If the review and amendment clerk has issued an action holding the proposed amendment to allege use not in compliance with the minimum requirements, the examining attorney will act on any other amendments in the case without consideration of the amendment to allege use. The examining attorney should issue requirements or refusals in nonfinal or final form according to standard examination procedure without consideration of the amendment to allege use. Any specimens submitted, as in the case of specimens related to an amendment to allege use which is withdrawn, become part of the record and may be relied on in relation to issues unrelated to use.

If the examining attorney determines that the review and amendment clerk erred in holding that the amendment to allege use did not meet the minimum requirements to be referred for examination on the merits, the examining attorney should telephone to advise the applicant the the amendment to allege use will be examined on the merits and to disregard the review and amendment clerk's action citing deficiencies.

d. Examination of the Amendment to Allege Use by the Examining Attorney

The examining attorney must examine the amendment to allege use for compliance with all relevant sections of the Act. If the examination of the amendment to allege use raises any issues necessitating the issuance of requirements or refusals, the examining attorney must take appropriate action, as discussed below. The following sections present examples of issues which should be examined in relation to the amendment to allege use. These sections do not exhaust all possibilities, but present a general framework governing the areas for examination.

i. Ownership and Proper Execution

The examining attorney must confirm that the proper party has executed the amendment to allege use. The party submitting the amendment to allege use must be the same as the applicant or a valid assignee under Trademark Act Section 10, 15 U.S.C. Section 1060.

The person who executes the amendment to allege use must be entitled to do so on behalf of the applicant. The same persons identified as possessing the authority to sign the original application under Trademark Act Section 1, 15 U.S.C. Section 1051, are the only persons possessing the authority to sign the amendment to allege use. That is, only the individual owner can sign for a partnership for an individual applicant, only a general partner can sign and only an officer can sign for a corporation or association. If the amendment to allege use is not signed by one of these persons, the examining attorney must require that the applicant submit a substitute amendment to allege use signed by a proper person, or that a proper person execute an affidavit or declaration verifying the facts as set forth in the amendment to allege use.

The color of authority provision of Trademark Rule 2.71 (c), 37 C.F.R. Section 2.71 (c), does not apply to amendments to allege use. However, the applicant need not demonstrate that the person who signed originally had color of authority because the

applicant may submit a substitute declaration within the response period set in the examining attorney's action, whether or not the person who signed originally had color of authority. The specific date on which the applicant submits the amendment to allege use does not have the same importance as the filing date for the application or the statement of use, since the amendment to allege use can be submitted up to the expiration of the six-month response period following a final action, including a final action requiring execution by a proper person.

ii. The Verified Statement and the Identification of Goods and Services

The examining attorney must examine the verified statement to ensure that the statement includes the necessary averments, that the dates are properly stated, that the type of commerce is indicated and that the mode of use is set forth. If the statement is defective, the examining attorney must require appropriate amendment.

The examining attorney must also examine the identification of goods and services to ensure that it conforms to the goods and services specified in the application. The applicant may limit or clarify the goods and services, but the applicant cannot add to or otherwise expand the identification of goods or services specified in the application.

If goods or services identified in the application are omitted from the amendment to allege use, but the applicant has not specifically indicated an intention to delete those goods or services from the application, the examining attorney should confirm that the applicant intends to delete the omitted goods or services. The applicant may amend the application to reinsert goods or services which have been omitted from the amendment to allege use, provided the applicant did not expressly delete the goods or services by amendment and provided the applicant verifies that it has used the mark in commerce on or in connection with the goods or services in an affidavit or declaration under Trademark Rule 2.20, 37 C.F.R. Section 2.20. Omission of goods or services in an amendment to allege use or statement of use is the only instance in which an applicant may reinsert goods or services. The general rule is that goods and services once deleted by express amendment or omitted from the identification of goods and services in a request for an extension of time to file a statement of use may not be reinserted in a later amendment.

iii. The Specimens

The examining attorney must review the specimens for compliance with all relevant requirements. The examining attorney must confirm that the designation is used as a mark on the specimens. The examining attorney must determine whether the specimens indicate descriptive or generic use of the mark. The examining attorney must examine the specimens to determine whether any issue concerning ownership of the mark is presented.

The clear-error standard which limits the issues that may be raised in examination of the statement of use does not apply to the examination of the amendment to allege use. However, the examining attorney must raise all possible issues, such as descriptiveness issues, in the initial examination without regard to whether the applicant will file an amendment to allege use or a statement of use. The applicant may do either, and the examining attorney may be precluded from raising an issue under the clear-error standard if the applicant files a statement of use.

If the applicant submits substitute specimens in conjunction with an amendment to allege use, the applicant need not verify that the substitute specimens were in use as of any specific date, but merely that the substitute specimens were used in commerce in connection with the goods or services.

iv. The Drawing

Trademark Rule 2.51, 37 C.F.R. Section 2.51, specifies that the drawing in an intent-to-use application must be a substantially exact representation of the mark as intended to be used and as actually used upon filing of the amendment to allege use before publication or the statement of use after issuance of

the notice of allowance. Trademark Rule 2.88(j), 37 C.F.R. Section 2.88(j). An applicant may not amend the mark in a drawing if the amendment constitutes a material alteration of the mark. Also, the mark in the drawing must agree with the mark as used on the specimens. The same standards which apply to use applications in determining whether specimens support use of the mark and in determining whether amendments can be permitted apply in the examination of the amendment to allege use.

Therefore, in an intent-to-use application, the examining attorney must require amendment to the mark or the submission of new specimens if the mark in the drawing is not a substantially exact representation of the mark as used on the specimens. Trademark Rule 2.72(c), 37 C.F.R. Section 2.72(c). However, if amendment of the mark would constitute a material alteration of the mark, the examining attorney must require substitute specimens only. The same standards applied in use applications in determining whether the specimens support use of the applied-for mark apply to specimens in intent-to-use applications. See Examination Guide 2-89. *Cf. United Rum Merchants Ltd. v. Distillers Corp. (S.A.) Ltd.*, 9 USPQ2d 1481 (TTAB 1988).

e. Issuance of Actions by the Examining Attorney Related to the Amendment to Allege Use

If, upon examination, the examining attorney determines that the amendment to allege use is not acceptable, or that it raises new issues in the case, the examining attorney will issue an action stating all refusals and requirements arising in the examination of the amendment to allege use and incorporating all unresolved issues from any outstanding Office action in the case. The action related to the amendment to allege use thus supersedes any outstanding Office action, and the applicant's response on all issues is due six months from the date of the new action. The new action will be a nonfinal action since at least those issues arising from the examination of the amendment to allege use will have been raised for the first time.

If the amendment to allege use is received before any examination of the application, the review and amendment clerk will review the amendment to allege use to determine whether it complies with the minimum requirements and will take appropriate action. The review and amendment clerk will return the case to the new case docket after taking appropriate action. When the case is reached for examination, the examining attorney will examine the application as a whole, including the amendment to allege use, and will issue a first action addressing all issues in the case.

If the review and amendment clerk reviews the amendment to allege use and refers it to the examining attorney for examination on the merits, the examining attorney should examine the amendment to allege use regardless of the status of the application. If the application is in suspended status, the examining attorney should examine the amendment to allege use, and if any action is required, the examining attorney should remove the application from suspension and take appropriate action.

If the amendment to allege use is submitted at the same time as a response and it is referred for examination on the merits, the examining attorney should consider both the response and the amendment to allege use. If the examining attorney must take any action with respect to the amendment to allege use, the examining attorney should issue a nonfinal action incorporating any refusals or requirements which remain outstanding after the applicant's response. If the amendment to allege use is acceptable in all respects, the examining attorney should act on the response independent of the amendment to allege use. The examining attorney should proceed in the same manner if the amendment to allege use reaches the examining attorney when the case is in the examining attorney's amended docket after receipt of a response.

f. Amendment and Withdrawal of the Amendment to Allege Use

The applicant may amend the amendment to allege use to correct deficiencies, to overcome a refusal, to comply with a requirement or for any other purpose. *Cf. Trademark Act Section 1(d)(3)*, 15 U.S.C. Section 1051(d)(3).

The applicant may withdraw the amendment to allege use. The applicant or the applicant's attorney may authorize withdrawal in an examiner's amendment. The applicant may do so

at any time after submission of the amendment to allege use and before approval of the application for publication. The Office will not refund the fee for filing the amendment to allege use if it is withdrawn by the applicant.

If the applicant withdraws the amendment to allege use, the application will be processed as an intent-to-use application subject to publication, issuance of a notice of allowance and submission of a statement of use after issuance of the notice of allowance.

If the applicant wishes to request withdrawal of an amendment to allege use during an ex parte appeal, the applicant should direct the request to the Trademark Trial and Appeal Board for a determination by the Board on the request.

If the applicant withdraws the amendment to allege use, the examining attorney will withdraw any requirements or refusals specifically related to use of the mark, such as objections related to the form of the verified statement itself, objections related to the agreement of the mark as used with the drawing or objections related to use of the applied-for designation as a trademark or service mark on the specimens. The examining attorney should also withdraw any requirement or refusal related to the execution of the amendment to allege use. The examining attorney should maintain any requirement or refusal arising from the amendment to allege use not specifically related to the dates of use or use of the mark, such as ownership questions or refusals or requirements related to Sections 2(e)(1), 2(e)(2) or 2(e)(3) of the Act. The specimens or any other submission related to the amendment to allege use will remain part of the record for the purpose of determinations under these sections. Issues related to use include functionality, ornamentation and configuration issues.

If the applicant withdraws the amendment to allege use after issuance of the notice of final acceptance of the amendment to allege use, the examining attorney must withdraw the acceptance on the TRAM system.

g. Final Acceptance of the Amendment to Allege Use After Examination

If the amendment to allege use is acceptable in all respects, the Office will notify the applicant of its acceptance. The examining attorney will ensure that the computer-generated notice is issued. The examining attorney must also sign the file to indicate acceptance of the amendment to allege use. As noted above, after an amendment to allege use is accepted, the intent-to-use application will be processed in the same manner as a use application under Trademark Act Section 1(a), 15 U.S.C. Section 1051(a). The notification must be sent regardless of the status of the case, whether there is an outstanding Office action or not. Examination should continue on other issues in the case after the acceptance of the amendment to allege use.

5. Publication for Opposition and Issuance of the Notice of Allowance

In the case of an intent-to-use application, if the examining attorney determines that the mark is entitled to registration, but for the submission of a statement of use, that is, no amendment to allege use has been accepted, the examining attorney will approve the mark for publication and the mark will be published for opposition. In the case of an intent-to-use application where an amendment to allege use has been submitted and accepted, the application will be processed thereafter in the same manner as a use application. If the application is not opposed or survives all oppositions filed, the mark will proceed to registration.

In the case of an intent-to-use application where no amendment to allege use has been filed or where the applicant has withdrawn the amendment to allege use, the Office will issue a notice of allowance, provided the mark clears the opposition period or survives all oppositions. Trademark Act Section 13(b)(2), 15 U.S.C. Section 1063(b)(2); Trademark Rule 2.81(b), 37 C.F.R. Section 2.81(b).

The notice of allowance in an intent-to-use application will issue on the same date that a registration would issue in a use application. The Office will not publish any notice that a notice of allowance has been issued in the *Official Gazette*.

The notice of allowance will state the serial number of the application, the name of the applicant, the correspondence address, the mark, the identification of goods or services, and the

date of issuance of the notice of allowance. The notice of allowance is a key document because the issuance date establishes the due date for submission of the statement of use required prior to registration. The information stated on the notice of allowance is also important. If the notice of allowance includes any errors, the applicant should notify the Office immediately.

6. Amendments between Issuance of the Notice of Allowance and Submission of the Statement of Use

The only amendment permitted between the issuance of the notice of allowance and the submission of the statement of use is an amendment to delete goods or services. Trademark Rule 2.77, 37 C.F.R. Section 2.77. "Deletion" means the elimination of an existing item in an identification of goods and services in its entirety. Deletion is distinct from other types of amendments to limit, such as amendments to limit the goods as to types, channels of trade or class of purchasers or to restrict an existing item in scope by the introduction of some qualifying language or the substitution of specific for more general terms. The Office will not consider any other amendment to the application during this period. If the applicant submits any other amendments during this period, the Office will place the amendments in the file for consideration at the time of examination of the statement of use. The ITU paralegal will advise the applicant of receipt of any such amendment and that the amendment will not be considered until the examination of the statement of use.

The Office will process any change of address or change of attorney at any time during the prosecution of an application, even during the period between issuance of the notice of allowance and the filing of the statement of use.

7. Requests for Extensions of Time to File the Statement of Use

Trademark Act Section 1(d)(2), 15 U.S.C. Section 1051(d)(2), permits the Office to extend the time for filing a statement of use upon a written request from the applicant. Trademark Rule 2.89, 37 C.F.R. Section 2.89, sets forth Office policy and procedure governing the filing and processing of such requests. Essentially, an applicant may request one six-month extension without a showing of good cause and up to four additional six-month extensions with a showing of good cause. Thus, the time available for filing the statement of use may not be extended beyond thirty-six months from the issuance of the notice of allowance.

The six-month period following issuance of the notice of allowance will not be cut short by the grant of an extension. The extension will begin to run from the expiration of the six-month period following the notice of allowance. Likewise, an applicant will receive the full benefit of each extension before a subsequent extension will begin to run. No extension will be granted for more than six months. Trademark Rule 2.89(b), 37 C.F.R. Section 2.89(b).

The only amendment which is permitted in connection with the filing of a request for an extension of time is an amendment to delete goods or services. If any other amendment is submitted in conjunction with a request for an extension of time, the Office will place the amendment in the application file for consideration at the time of examination of the statement of use. The Office will process any change of address or change of attorney at any time during the prosecution of an application, even if filed in conjunction with a request for an extension of time.

Any request for an extension of time must be filed by the entity which owns the mark at the time the request is filed and must be executed by an individual possessing statutory authority to do so on behalf of the specific type of applicant entity. The individual must sign for an individual applicant, a general partner must sign for a partnership and an officer must sign for a corporation or association. If the party filing is different from the owner of record, the request should include the reel and frame number of any relevant assignment recorded in the Assignment Branch of the Office or other evidence that the party filing is the owner of the application in accordance with Trademark Rule 2.186, 37 C.F.R. Section 2.186. If the request does not include such evidence the ITU Unit will deny the request. The applicant may establish ownership within the time provided in the action advising the applicant of the denial, even if the time permitted

for filing the statement of use has expired. However, the applicant must file another request for an extension of time before the time period related to the request which is under consideration expires to avoid abandonment.

As noted above (A.7.), only those individuals who possess statutory authority to sign the original application are permitted to sign the request for an extension of time. If the request is signed by any other person, the request for an extension of time will be denied. Because the request must include a statement of a continued bona fide intention to use the mark in commerce, only the applicant can execute the request under the Act. In the case of a request for an extension of time, the request cannot be reexecuted by one with proper authority after the expiration of the time permitted for filing the statement of use. The "color of authority" provision of Trademark Rule 2.71(c), 37 C.F.R. Section 2.71(c), does not apply to the filing of requests for extensions of time.

a. Requirements Related to the First Six-Month Extension

The applicant may request an initial six-month extension of time to file the statement of use by filing a request for such an extension before the expiration of the six-month period following the issuance of the notice of allowance. The request must include the prescribed fee of \$100.00 per class and a verified statement signed by the applicant that the applicant has a continued bona fide intention to use the mark in commerce. The statement must specify those goods or services specified in the notice of allowance on or in connection with which the applicant has a continued bona fide intention to use the mark in commerce. Trademark Rule 2.89(a), 37 C.F.R. Section 2.89(a). The applicant may incorporate the goods and services specified in the notice of allowance by reference.

b. Requirements Related to Extensions Beyond the First Six-Month Extension - Good Cause Extensions

The applicant may request up to a maximum of four six-month extensions to file the statement of use in addition to the first six-month extension. Each request for such an extension must be filed before the expiration of the previously granted extension. The request must include the prescribed fee of \$100.00 and a verified statement signed by the applicant that the applicant has a continued bona fide intention to use the mark in commerce. The statement must specify those goods or services specified in the notice of allowance on or in connection with which the applicant has a continued bona fide intention to use the mark in commerce. In addition, each such request must include a showing of good cause. Trademark Rule 2.89(b), 37 C.F.R. Section 2.89(b).

The showing of good cause must include an allegation that the applicant has not yet made use of the mark in commerce on or in connection with all of the goods or services specified in the notice of allowance for which the applicant has a continued bona fide intention to use the mark in commerce. The showing must also include a statement of applicant's ongoing efforts to use the mark in commerce on or in connection with the goods or services specified as those for which the applicant has a continued bona fide intention to use the mark in commerce. Trademark Rule 2.89(d), 15 U.S.C. Section 2.89(d).

Efforts to use the mark in commerce may include "...without limitation, product or service research or development, market research, manufacturing activities, promotional activities, steps to acquire distributors, steps to obtain required governmental approval, or other similar activities." Trademark Rule 2.89(d)(2), 37 C.F.R. Section 2.89(d)(2). In the alternative, the applicant must submit a satisfactory explanation for the failure to make such efforts. The applicant's statement concerning good cause need only refer to the appropriate types of activities listed in the rule or similar types of activities. The applicant need not provide an explanation or evidence providing details as to specific activities related to the types delineated. For instance, the applicant may simply state that it is engaged in manufacturing activities and promotional activities.

Any request for an extension of time, including the showing of good cause, will become a part of the permanent Office record and open to the public as such. As noted, the showing of good cause need only provide general statements identifying the types of efforts the applicant has undertaken as stated in the rule. The

showing need not state specific facts which would disclose confidential business information or other proprietary information. The Office will not require any evidence or explanation in a showing of good cause.

c. Identifying the Goods and Services in the Request for an Extension of Time

The goods and services identified in the request for an extension of time must conform to the goods and services identified in the notice of allowance. If appropriate, the applicant may incorporate the specification of goods and services in the notice of allowance by reference. If goods or services are to be deleted, the applicant should clearly specify those goods and services to be deleted.

If the applicant lists the goods and services specifically in the request for an extension of time, and omits any goods or services which were listed in the notice of allowance, the Office will delete those goods or services from the application and will not grant the request as to the omitted items. Likewise, if the applicant lists the goods and services specifically, and the wording in the listing of the goods and services in the request does not conform to the wording of the specification of goods and services in the notice of allowance, the Office will delete from the application any wording not expressly included in the request in conforming language and will not grant the request as to the deleted items. The applicant cannot amend the application later to reinsert the deleted goods or services once they have been so deleted. Trademark Rule 2.89(f), 37 C.F.R. Section 2.89(f).

The paralegal in the ITU Unit will examine the identification of goods and services specified in the extension request to determine whether the goods and services specified conform to the goods and services specified in the notice of allowance. The paralegal will delete any items from the identification of goods and services in the application which are not either incorporated by reference or specified in the extension request in conforming language.

As noted above, applicants may incorporate goods and services by reference in the request for an extension of time. It is advisable to do so, if appropriate, to avoid the possibility that goods or services will be deleted unintentionally. Thus, the applicant may specify the goods or services by stating "those goods or services identified in the notice of allowance" or "those goods or services identified in the notice of allowance except..." followed by an identification of goods or services to be deleted.

The only amendment permitted between issuance of the notice of allowance and filing of the statement of use is an amendment to delete goods or services. Trademark Rule 2.77, 37 C.F.R. Section 2.77. "Deletion" means the elimination of an item from the identification of goods and services in its entirety as distinct from other types of amendments to limit, such as amendments to limit the goods as to types, channels of trade or class of purchasers or to restrict an existing item in scope by the introduction of some qualifying language or the substitution of specific for more general terms. The ITU paralegal will not process any proposed amendments filed with the request for an extension of time, other than deletions, and will place other amendments in the file for consideration at the time of examination of the statement of use. The paralegal will act on the extension request, apart from any such proposed amendment, as specified above.

d. Filing a Request for an Extension of Time in Conjunction with a Statement of Use

An applicant may file one final request for an extension of time at the time of filing the statement of use or during any time remaining in the existing six-month period in which a statement of use is filed. However, such a request is not permitted if the grant of such an extension would extend the time for filing more than thirty-six months beyond the issuance of the notice of allowance. Trademark Rule 2.89(e), 37 C.F.R. Section 2.89(e). The applicant may not request any further extensions of time after this request.

The purpose of such a request would be to secure additional time to correct any deficiency in the statement of use which is of a type which must be corrected before the expiration of the time permitted for filing the statement of use. Because the statement of use may not be withdrawn, the applicant must

correct any such deficiency within the time provided to file the statement of use or the application will become abandoned.

The request must conform to all relevant requirements including payment of the applicable fee. If the request is not the first request for an extension of time, and thus a showing of good cause is required with the request for an extension of time filed with or after the statement of use, the applicant may satisfy the requirement for a showing of good cause by asserting that applicant believes that it has made valid use of the mark in commerce, as evidenced by the submitted statement of use, but that if the statement of use is found to be fatally defective, the applicant will need additional time to file a statement of use. Trademark Rule 2.89(e)(2), 37 C.F.R. Section 2.89(e)(2).

If the applicant files a final request for an extension of time in conjunction with a statement of use, and the applicant submits fees sufficient for one, but not both, the Office will apply the fees to the extension of time to avoid abandonment of the application.

e. Processing of the Request for an Extension of Time

The Office will notify the applicant of the grant or denial of the request for an extension of time. Trademark Rule 2.89(g), 37 C.F.R. Section 2.89(g). Any denial will specify the reasons for the denial. The Office's failure to notify the applicant of the grant or denial of the extension before the expiration of the existing period to file the statement of use or before the expiration of the period requested does not relieve the applicant of the responsibility to file the statement of use or a request for an extension of time within the relevant period. If the applicant fails to file the statement of use or a request for an extension of time within the time permitted, the application will become abandoned. Trademark Act Section 1(d)(4), 15 U.S.C. Section 1051(d)(4).

If the Office denies the request for an extension of time but time remains in the applicant's existing period for filing the statement of use, the applicant may file the statement of use or another request for an extension of time to file the statement of use. Otherwise, the applicant's only recourse after denial of the request for an extension of time is a petition to the Commissioner. A petition from the denial of a request for an extension must be filed within one month from the mailing date of the denial of the extension of time. Trademark Rule 2.89(g), 37 C.F.R. Section 2.89(g). The ITU Unit will not accept any request to reconsider a denial of a request for an extension of time. The ITU Unit will be responsible for processing all requests for extensions of time to file statements of use.

8. Submission of the Statement of Use under Section 1(d) of the Act

As noted earlier (A.1.a.), an intent-to-use applicant must file either an amendment to allege use under Trademark Act Section 1(c), 15 U.S.C. 1051(c), or a statement of use under Trademark Act Section 1(d), 15 U.S.C. Section 1051(d), as a precondition to issuance of the registration. This section will discuss statements of use only; the amendment to allege use is discussed above (A.4.).

a. Form and Permissible Time Period for Filing a Statement of Use under Section 1(d) of the Act

The statement of use should be entitled, "Statement of Use under Section 2.88." Trademark Rule 2.88(d), 37 C.F.R. Section 2.88(d). The title should be placed at the top of the first page. The mailing address should specify "Box ITU" also. Proper identification of the statement of use will expedite handling, but the Office will not take any action for failure to comply with these recommendations. The applicant may submit other amendments related to the application with the statement of use.

The statement of use must be filed within six months of the issuance date of the notice of allowance or within an extension of time for filing the statement of use granted under Trademark Rule 2.89, 37 C.F.R. Section 2.89. For purposes of establishing a date of receipt, the statement of use is not subject to the certificate-of-mailing procedure under Rule 1.8, 37 C.F.R. Section 1.8. The statement of use will be considered received on the date it is actually received or on the Express-Mail date under Rule 1.10, 37 C.F.R. Section 1.10.

Any statement of use filed before mailing of the notice of allowance is premature and will not be considered. In such a case, the ITU Unit will return the statement of use and refund the fee to the applicant. Trademark Rule 2.88(a), 37 C.F.R. Section 2.88(a). If the statement of use is not filed or is filed later than required, the application will be considered abandoned. Trademark Act Section 1(d)(4), 15 U.S.C. Section 1051(d)(4); Trademark Rule 2.88(h), 37 C.F.R. Section 2.88(h). A late statement of use will not be considered. The ITU Unit will return the late statement of use to the applicant with any fees paid.

The applicant may file the statement of use only after the applicant has made use of the mark on or in connection with all goods or services for which the applicant will ultimately seek registration in the application, unless the applicant specifically requests that the application be divided. Trademark Rule 2.88(c), 37 C.F.R. Section 2.88(c). Trademark Rule 2.87, 37 C.F.R. Section 2.87, permits an applicant to divide the application as filed into two or more separate applications. The purpose of filing a request to divide an application in conjunction with the filing of a statement of use would be to effect issuance of a registration for goods or services on or in connection with which the applicant has already made use while maintaining an active application for the remaining goods or services. After the division all applications retain the original filing date. The requirements attendant to submission of a request to divide an application are discussed below (B.15.).

b. Necessary Elements in a Complete Statement of Use under Section 1(d) of the Act

The statement of use must include the following elements:

- i. a verified statement that the applicant is believed to be the owner of the mark and that the mark is in use in commerce, specifying the date of the applicant's first use of the mark and first use of the mark in commerce, the type of commerce, those goods or services specified in the notice of allowance on or in connection with which the mark is in use in commerce and the mode or manner in which the mark is used;
- ii. three specimens or facsimiles of the mark as used in commerce; and
- iii. the prescribed fee.

Trademark Rule 2.88(b), 37 C.F.R. Section 2.88(b).

The filing fee for a statement of use is \$100.00 per class.

c. Minimum Requirements for a Statement of Use under Section 1(d) of the Act

The statement of use must include the following minimum elements to be referred to the examining attorney for examination on the merits:

- i. the prescribed fee;
- ii. at least one specimen or facsimile of the mark as used in commerce; and
- iii. a verification or declaration signed by the applicant stating that the mark is in use in commerce.

Trademark Rule 2.88(e), 37 C.F.R. Section 2.88(e).

The ITU Unit will review the statement of use to determine whether it is timely and whether it complies with the minimum requirements. As noted above (A.8.a.), if the statement of use is untimely, either because it is premature or late, the ITU Unit will return the statement of use with any fees to the applicant.

If the statement of use is timely, but does not comply with one or more of the minimum requirements, the ITU Unit will advise the applicant of the deficiency. The applicant may correct the deficiency provided the time permitted for filing the statement of use has not expired. Trademark Rule 2.88(g), 37 C.F.R. Section 2.88(g). If the applicant does not correct the deficiency before the expiration of the relevant time period, the statement of use will not be examined and the application will be declared abandoned. In such a case, if the applicant has submitted the fee, the ITU Unit will not refund the fee.

The applicant may not withdraw the statement of use and return to the previous status of awaiting filing of the statement of use, even if the statement of use as filed fails to meet the

minimum requirements. Trademark Rule 2.88(g), 37 C.F.R. Section 2.88(g). The applicant may request extensions of time to file the statement of use in accordance with Trademark Rule 2.89, 37 C.F.R. Section 2.89, as discussed above (A.7.e.), including a final request for an extension filed with a statement of use or during the time remaining in the existing period in which the statement of use is filed.

The Office will not issue a filing receipt to acknowledge receipt of a statement of use.

If an applicant files a statement of use and a request to divide the application at the same time, and the fees submitted are insufficient for both, the fees will be applied to the statement of use first and the applicant will be notified of the deficiency.

9. Examination of the Statement of Use

If the statement of use is timely and complies with the minimum requirements, the ITU Unit will refer the entire application with the statement of use to the responsible examining attorney for examination on the merits. The same examining attorney who examined the application initially will examine the statement of use unless the examining attorney has left the Office or assumed other duties.

a. Procedures Governing Examination of the Statement of Use

Examination of the statement of use follows the same procedural course as the initial examination of the application under Trademark Rule 2.61 et seq., 37 C.F.R. Section 2.61 et seq. The examining attorney should issue actions, as appropriate, stating requirements and refusals and culminating in final action or acceptance of the statement of use. The examining attorney may issue examiners amendments or priority actions, as appropriate. The applicant must respond to actions within six months under routine Office procedure. If the examining attorney ultimately finds the statement of use acceptable in all respects, the Office will notify the applicant of its acceptance. The Office will then publish notice of the registration of the mark and will issue the registration to the applicant. The application is not once again subject to opposition. Trademark Rule 2.151, 37 C.F.R. Section 2.151.

If the examining attorney issues any requirements or refusals, the applicant may respond under standard examination procedure. The applicant may appeal or petition matters in the same manner and subject to the same procedures which would apply in the initial examination of the application.

The applicant may amend or otherwise correct the statement of use during examination, provided the applicant had complied with the minimum requirements attendant to the statement of use before the expiration of the time permitted to file the statement of use.

i. Complying with Minimum Requirements within the Time Permitted

The applicant must make valid use of the mark in commerce and must file a statement of use meeting the minimum requirements, including at least one specimen, before the expiration of the time permitted to file the statement of use. Trademark Rule 2.71(d)(3), 37 C.F.R. Section 2.71(d)(3). The applicant can provide substitute specimens, during examination, after the expiration of the time permitted to file the statement of use. However, the applicant must verify that the specimens were in use before the expiration of the time permitted for filing the statement of use. If the applicant attempts to amend the dates of use to state a date of first use in commerce which is later than the time permitted for filing the statement of use, the examining attorney must refuse registration because the applicant failed to make use within the time permitted and, as a result, the application is abandoned. The examining attorney must refuse registration on the same grounds if the applicant cannot provide an acceptable specimen which was in use in commerce before the expiration of the time permitted for filing the statement of use.

Likewise, the party filing the statement of use must be the owner of the mark at the time of filing. However, even after the expiration of the time permitted for filing the statement of use, the applicant can provide information to establish that the party who filed was the owner at the time the statement of use was filed through a chain of title. Trademark Rule 2.186, 37

C.F.R. Section 2.186. The applicant must do so within the specified response period. However, if the party which did file was not the owner at the time of filing the statement of use, the applicant cannot provide a substitute statement of use or the equivalent to correct this error after the expiration of the time permitted for filing the statement of use. If the time permitted for filing the statement of use has not yet expired, the applicant may file a substitute statement of use in the name of the true owner.

Therefore, if the party filing the statement of use is not the owner of the mark at the time of filing the statement of use, the examining attorney must reject the statement of use. If no time remains within the time permitted for filing the statement of use, the examining attorney must refuse registration because the application is abandoned for failure to file the statement of use within the time permitted.

Also, the person who signs the statement of use must have the authority to do so under the Act. Only those persons who are authorized to sign the original application have authority to sign the statement of use: the individual for an individual applicant, a general partner for a partnership and an officer for a corporation or association. As in the case of the original application, the person who signs must have at least color of authority to sign in order for the statement of use to be considered received in the Office.

If the person who signed the statement of use lacked even color of authority to do so, the applicant cannot provide a statement of use or the equivalent, signed by a proper person, after the expiration of the time permitted to file the statement of use. If the person who signed the statement of use possessed at least color of authority, as discussed below (B.1.a.), the applicant can provide a substitute statement of use or an affidavit or declaration signed by the proper person verifying the facts as set forth in the statement of use after the expiration of the time permitted for filing the statement of use. Trademark Rule 2.71(c), 37 C.F.R. Section 2.71(c). The principles which govern the determination as to whether a person possesses color of authority are discussed below (B.1.a.) in relation to the signature requirements attendant to the filing of the original application.

If the person who signed the statement of use lacked even color of authority to do so, and the time permitted for filing the statement of use has expired, the examining attorney must refuse registration because the application is, therefore, abandoned for failure to file the statement of use within the time permitted.

ii. Correcting Defects

The applicant may correct defects in the statement of use after the expiration of the time permitted for filing the statement of use when compliance within the time permitted for filing the statement of use is not required by the Act. However, the applicant must respond to requirements related to these defects within the response periods established under standard examination procedure to avoid abandonment of the application.

As noted above (A.9.a.i.), the applicant may provide substitute specimens after the expiration of the time permitted for filing the statement of use. However, the applicant must verify that the substitute specimens were in use in commerce before the expiration of the time permitted for filing the statement of use.

As noted above (A.9.a.i.), the applicant may establish chain of title during examination, after the expiration of the time permitted for filing the statement of use. The applicant may establish color of authority of the person who signed the statement of use and provide a substitute statement of use signed by a proper person during examination after the expiration of the time for filing the statement of use. The applicant may correct the dates of use, subject to the limitations provided in Trademark Rule 2.71(d), 37 C.F.R. Section 2.71(d), or the method of use clause after the expiration of the time permitted for filing the statement of use. The applicant may amend the identification of goods and services, subject to the general restrictions governing such amendments under Trademark Rules 2.71(b) and 2.88(i)(1), 37 C.F.R. Sections 2.71(b) and 2.88(i)(1), after the expiration of the time permitted for filing the statement of use. The applicant may amend the drawing, subject to the restrictions generally governing amendments to drawings under Trademark Rule 2.72, 37 C.F.R. Section 2.72, during examination after the expiration of the time permitted for filing the statement of use.

iii. Withdrawal of the Statement of Use Prohibited

Once the applicant has filed the statement of use, the applicant may not withdraw the statement of use and return to the previous status of awaiting submission of the statement of use. Trademark Rule 2.88(g), 37 C.F.R. Section 2.88(g). The applicant may not do so, even if the Office determines that the statement of use does not comply with the minimum requirements. However, the applicant may amend the statement of use or file a substitute statement of use to correct even fatal defects within the time permitted for filing the statement of use.

b. The "Clear-Error" Standard in Examination of the Statement of Use

For the purpose of examination of the statement of use, the Office will issue requirements or refusals concerning matters specifically related to the statement of use only. The Office will not issue any requirements or refusals concerning matters which could have or should have been raised during initial examination, unless the failure to do so in initial examination constitutes a clear error. "Clear error" refers to an error which, if not corrected, would result in issuance of a registration in violation of the Act. Cf. *Century 21 Real Estate Corp. v. Century Life of America*, 10 USPQ2d 2034 (TTAB 1989); *Granny's Submarine Sandwiches, Inc. v. Granny's Kitchen, Inc.*, 199 USPQ 564 (TTAB 1978).

The examining attorney must act on all new issues in the examination of the statement of use. Examples of such issues are presented below (A.9.b.) in the discussion of various areas of examination related to the statement of use. For example, the examining attorney must issue an appropriate refusal if the specimens fail to show use of the designation as a mark. However, the examining attorney may not issue a refusal under Trademark Act Section 2(e)(1), 15 U.S.C. Section 1052(e)(1), unless the refusal is dictated by changed circumstances from the time of initial examination or the failure to issue such a refusal would constitute clear error.

If a significant length of time has elapsed since the initial examination, in some unusual circumstances, the mark may have become descriptive or even generic as applied to the goods or services. In such a case, the evidence of the descriptive or generic use would not have been available during initial examination.

However, if evidence that the mark is merely descriptive was available during initial examination, and thus the refusal could or should have been issued in initial examination, the examining attorney cannot issue the refusal unless clear error is present. That is, the evidence of descriptiveness must be substantial and unequivocal. The examining attorney should not issue such a refusal on the basis of information that was available during the initial examination unless clear error exists.

Likewise, the examining attorney must not issue requirements or refusals related to informalities which could or should have been addressed during the initial examination. For example, if the examining attorney determines that the initial declaration in support of the application was defective, the examining attorney should not issue a requirement for a new declaration.

If the goods or services were classified incorrectly and published for opposition in the wrong class, the examining attorney should require correction of the classification. In the case of any change of class after issuance of the notice of allowance, the mark must be republished for opposition unless the Petitions and Classification Attorney determines that republication is not necessary.

If a disclaimer could or should have been required during the initial examination, the examining attorney should not require a disclaimer during the examination of the statement of use unless there is clear error. For example, a disclaimer of all of the wording in a mark may be required under the clear-error standard where the mark consists of merely descriptive wording and distinctive design elements. Issuance of a registration without such a disclaimer would violate the Act by affording the applicant rights beyond those to which the applicant is entitled. In other cases where the requirement for a disclaimer is subject to greater discretion, the clear-error standard would not permit a disclaimer requirement when it could or should have been stated in initial examination. The determination that a term is descriptive or generic related to the requirement for a disclaimer

is subject to the substantial-and-unequivocal-evidence standard stated above.

Generally, the Office will not conduct any search for conflicting marks, or issue any refusals on that basis, in the examination of the statement of use. However, if the examining attorney determines that a second search is necessary, due to an amendment of the mark or an amendment of the goods or services, the examining attorney will conduct a second search and take action, as appropriate. Likewise, the Office may discover a clear error under Trademark Act Section 2(d), 15 U.S.C. Section 1052(d), in the course of internal Office quality review or through a letter of protest. The Office will not issue any refusal under Section 2(d) in the examination of the statement of use unless the failure to do so constitutes a clear error. For the purposes of Section 2(d), the conflict between the application and registration at issue must be such that reasonable minds could not differ as to the necessity for the refusal, that is, failure to issue the refusal would result in issuance of a registration in violation of the Act.

In the case of an intent-to-use application, as in all applications, the Office will deny as untimely letters of protest which are filed more than thirty days after publication of a mark. *In re Pohn*, 3 USPQ2d 1700 (Comm'r Pats. 1987).

c. Examination of the Verified Statement of Use

The examining attorney should review the statement of use itself to confirm that the statement conforms to the requirements of the Act and the rules. As noted above (A.8.a.), the statement must include an averment that the applicant is the owner of the mark, the dates of use, an identification of the goods and services and the method of use. The statement must be verified. Trademark Act Section 1(d), 15 U.S.C. Section 1051(d); Trademark Rule 2.88(b), 37 C.F.R. Section 2.88(b).

The averment of ownership and use in commerce are essential elements of the statement. If the averment of ownership is omitted, the examining attorney must require the applicant to submit a verified statement including this averment.

If the statement of use was executed before the stated dates of use, the examining attorney must require that the statement be re-executed. The dates of use may not be amended to a date later than the expiration of the time permitted for filing of the statement of use. The applicant must verify amendments to the dates of use in the statement of use as in the application itself. Trademark Rule 2.71(d), 37 C.F.R. Section 2.71(d).

The date of first use in commerce must be no earlier than the date of first use anywhere. Office policies governing the correction of dates which do not conform to this requirement in use applications apply to statements of use also. TMEP section 806.03. The applicant must state dates of use for each class. The dates of first use for each class must apply to at least one item in the class but need not apply to more than one item. However, the applicant must have used the mark on all items covered by the statement of use before execution of the statement unless the applicant requests to divide the application under Trademark Rule 2.87, 37 C.F.R. Section 2.87. The applicant must identify the type of commerce according to the same standards which govern use applications. TMEP section 806.05.

The applicant must indicate the method of use. Office policies governing this requirement relative to use applications apply to the statement of use as well. TMEP section 808.09. If the method of use indicated in the statement of use is inconsistent with the intended method of use stated in the initial application, the examining attorney should assume that the later statement is controlling and should not raise this inconsistency as an issue in examination.

d. The Identification of Goods and Services in the Examination of the Statement of Use

"The goods or services specified in a statement of use must conform to those goods or services identified in the notice of allowance." Trademark Rule 2.88(i)(1), 37 C.F.R. Section 2.88(i)(1). The referenced rule further recommends that, in appropriate cases, applicants specify the goods or services by stating "those goods or services identified in the notice of allowance" or "those goods or services identified in the notice of allowance except. . ." followed by an identification of the goods or services to be deleted.

The rules preclude additions to the identification of goods or services in all applications, as noted below. Trademark Rule 2.71(b), 37 C.F.R. Section 2.71(b). If the applicant proposes to add to the identification of goods or services in conjunction with the statement of use, the examining attorney must reject the amendment.

If the applicant omits any goods or services specified in the notice of allowance from the identification of goods or services in the statement of use, and the applicant has not expressed a clear intention to delete those goods or services, the examining attorney must inquire as to the discrepancy. The examining attorney will permit the applicant to amend the statement of use to reinsert any omitted goods or services, provided the applicant did not delete the goods or services expressly in an amendment and provided the applicant verifies that the mark was in use in commerce with those goods or services before the expiration of the time permitted to file the statement of use. Trademark Rule 2.88(i)(2), 37 C.F.R. Section 2.88(i)(2).

The applicant may amend to delete items or to limit the identification of goods and services. For example, the applicant may amend to limit the goods as to types, channels of trade or class of purchasers or to restrict an existing item in scope by the introduction of some qualifying language or the substitution of specific for more general terms. The applicant may clarify the identification of goods or services, provided the amendment does not exceed the scope of goods or services specified in the notice of allowance. The principles which govern amendments to delete, limit or clarify in general also apply in the examination of the statement of use. If, due to any amendment to the identification of goods and services, the international class must be amended, the application must be republished for opposition unless the Petitions and Classification Attorney determines that republication is not necessary.

e. Examination of the Statement of Use Related to the Drawing

Trademark Rule 2.51, 37 C.F.R. Section 2.51, specifies that the drawing in an intent-to-use application must be a substantially exact representation of the mark as intended to be used and as actually used upon filing of the amendment to allege use before publication or the statement of use after issuance of the notice of allowance. Trademark Rule 2.88(j), 37 C.F.R. Section 2.88(j). An applicant may not amend the mark in a drawing if the amendment constitutes a material alteration of the mark. Also, the mark in the drawing must agree with the mark as used on the specimens. The same standards which apply to use applications in determining whether specimens support use of the mark and in determining whether amendments can be permitted apply in the examination of the statement of use.

Therefore, in an intent-to-use application, the examining attorney must require amendment to the mark or the submission of new specimens if the mark in the drawing is not a substantially exact representation of the mark as used on the specimens. Trademark Rule 2.72(c), 37 C.F.R. Section 2.72(c). However, if amendment of the mark would constitute a material alteration of the mark in such a case, the examining attorney must require substitute specimens only. The same standards applied in use applications in determining whether the specimens support use of the applied-for mark apply to specimens in intent-to-use applications. See Examination Guide 2-89. Cf. *United Rum Merchants Ltd. v. Distillers Corp. (S.A.) Ltd.*, 9 USPQ2d 1481 (TTAB 1988).

If the applicant submits substitute specimens in conjunction with a statement of use, the applicant must verify that the substitute specimens were in use in commerce before the expiration of the time permitted to file the statement of use. Trademark Rule 2.59(b), 37 C.F.R. Section 2.59(b). If the dates of first use change as a result of the submission of new specimens, the applicant must also amend the dates of first use in the statement of use with a supporting affidavit or declaration.

f. Consideration of the Specimens of Use in the Examination of the Statement of Use

Apart from the statement of use itself, the primary focus of examination of the statement of use is the specimens of use. The examining attorney must evaluate the specimens to confirm that the specimens exhibit appropriate use. Trademark Act Section 45, 15 U.S.C. Section 1127. The examining attorney must also

examine the specimens to confirm that the specimens show use of the subject matter as a trademark or service mark on or in connection with the goods or services identified in the statement of use. The examining attorney will also consider any questions regarding ownership or control of the mark arising in the examination of the specimens. These issues are typical of those which are appropriate for action in examination of the statement of use. The examining attorney should issue requirements and refusals, as appropriate, based on the examination of the specimens, subject to the same standards which govern the examination of specimens in any other phase of examination. TMEP section 808.

10. Revival of Abandoned Intent-to-Use Applications

As noted below (B.13.), petitions to revive all abandoned applications must be filed promptly. Trademark Rule 2.66(d), 37 C.F.R. Section 2.66(d). Generally, a petition to revive should be filed within two months of abandonment. In any petition to revive an abandoned application, the applicant must show that the delay in responding was unavoidable. Delays due to circumstances which could have been avoided with the exercise of a modicum of care and attention will not be considered unavoidable delays.

In addition to the requirements which apply to all petitions to revive, a petition to revive an intent-to-use application, abandoned due to the failure to file the statement of use within the time allowed, is subject to additional requirements. The petition must include a fee equal to the required fees for the number of requests for extensions of time to file the statement of use which should have been filed if the application had not been abandoned and either a statement of use or a request for an extension of time. Trademark Rule 2.66(c), 37 C.F.R. Section 2.66(c).

The referenced fees are in addition to the standard petition and any statement of use fees. If an applicant has already filed a statement of use, the applicant need not file another statement of use with the petition. If a response to an outstanding Office action is due, the applicant must include that response with the petition.

However, the Office will not grant a petition to revive an intent-to-use application if the grant of the petition would extend the period for filing the statement of use beyond thirty-six months after issuance of the notice of allowance. Trademark Rule 2.66(d), 37 C.F.R. Section 2.66(d).

11. Assignment of Intent-to-Use Applications

The 1988 amendments to the Act provide as follows:

However, no application to register a mark under section 1(b) shall be assignable prior to the filing of the verified statement of use under section 1(d), except to a successor to the business of the applicant, or portion thereof, to which the mark pertains, if that business is ongoing and existing.

Trademark Act Section 10, 15 U.S.C. Section 1060.

The Office will not examine proposed assignments to determine compliance with this provision as a general rule. However, the examining attorney will inquire to determine whether an assignment conforms to the requirements of this provision if the question is raised by the information of record. If the examining attorney issues an inquiry as to compliance, the applicant's response that the assignment was in compliance with the law is sufficient to resolve the issue.

As discussed in detail below (B.11.b.), the applicant bears the burden of recording and notifying appropriate Office personnel of assignments or changes of name to ensure that the registration issues in the name of a new owner. Trademark Rule 2.187, 37 C. F. R. Section 2.187.

12. Mailing Procedures and Fees Related to Intent-to-Use Applications

a. Use of the "Box ITU" designation

Applicants are encouraged to include "Box ITU" in the address when submitting the following:

- i. statements of use under Section 1(d) of the Act, Trademark Rule 2.88, 37 C. F. R. Section 2.88, and
- ii. requests for extensions of time to file statements of use under Trademark Rule 2.89, 37 C.F.R. Section 2.89.

Rule 1.1(h), 37 C. F. R. Section 1.1(h). Applicants should *not* use the "Box ITU" designation when filing the intent-to-use application itself, amendments to allege use or when filing routine responses to Office actions in intent-to-use applications because it may delay processing.

b. The Certificate-of-Mailing Procedure

The following intent-to-use papers are specifically excepted from the certificate-of-mailing procedure:

- i. statements of use under Section 1(d) of the Act,
- ii. requests for extensions of time to file statements of use under Trademark Rule 2.89, 37 C. F. R. Section 2.89, and
- iii. amendments to allege use under Section 1(c) of the Act.

Rule 1.8(a), 37 C. F. R. Section 1.8(a). Also, the initial filing of all trademark applications, including intent-to-use applications, is excepted from this procedure. Thus, any of these papers will be considered filed on the date actually received or on the date specified under Rule 1.10, 37 C. F. R. Section 1.10, concerning the use of "Express Mail."

c. Fees Related to Intent-to-Use Applications

The filing fee for an intent-to-use application itself is \$175.00 per class. The fee for filing an amendment to alleged use, statement of use or a request for an extension of time is \$100.00 per class. Trademark Rule 2.6, 37 C. F. R. Section 2.6

B. PROVISIONS AFFECTING ALL APPLICATIONS

Certain changes in Office policy and procedure associated with the 1988 amendments and revisions to the rules affect all applications, that is, use applications under Trademark Act Section 1(a), 15 U. S. C. Section 1051(a), intent-to-use applications under Trademark Act Section 1(b), 15 U. S. C. Section 1051(b), as well as applications filed under Trademark Act Section 44, 15 U. S. C. Section 1126. Those changes will be set forth in this section.

1. Filing Date Requirements

Trademark Rule 2.21, 37 C. F. R. Section 2.21, sets forth the minimum requirements for receiving a filing date for all types of applications. These minimum requirements do not include all of the requirements which may ultimately apply for registration of the mark, but merely those formal requirements which must be met to receive a filing date.

a. Applicant's Signature

Under the rule, as revised, all applicants are required to provide a declaration or verification signed by the applicant to receive a filing date. Because the filing of an application for the Principal Register now establishes a constructive date of use, contingent on issuance of a registration, under Trademark Act Section 7(c), 15 U.S.C. Section 1057(c), the rule now imposes this requirement.

If an application is submitted unsigned, the Application Section will not grant a filing date and will return the papers to the applicant. If an unsigned application reaches the examining attorney in error, the examining attorney should return the application to the Application Section for appropriate action.

Under Trademark Act Section 1, 15 U.S.C. Section 1051, only the following persons have statutory authority to sign: the individual in an application filed by an individual, a general partner in a partnership application or an officer in an application filed by a corporation or association.

If the applicant submits a signed declaration or verification, the examining attorney will determine whether the person who

signed had authority to sign for the applicant under the Act. If the person did not, the applicant may submit a substitute declaration and retain the filing date, provided the person who signed initially possessed color of authority to sign. Persons having color of authority are those who have firsthand knowledge of the truth of the statements in the application *and* who also have actual or implied authority to act on behalf of the applicant. Trademark Rule 2.71(c), 37 C.F.R. Section 2.71(c).

For example, in the case of a corporate applicant, a nonofficer, such as a manager, who had the requisite knowledge of the facts relevant to the application and actual or implied authority to act on behalf of the applicant, would possess color of authority, though not proper authority under the Act. In such a case, a substitute declaration could be submitted during prosecution of the application to correct this defect. An attorney who is an employee of a corporation might also satisfy the criteria.

On the other hand, the applicant's private attorney would not ordinarily be regarded as possessing color of authority to sign on behalf of an applicant. Private attorneys do not usually have firsthand knowledge of a client's business or the authority to act on behalf of a client, other than as legal representative. Here, the defect could not be corrected by filing a substitute verification or declaration, confirming the facts in the application, signed by an appropriate person. If the person who signed the application lacked even color of authority to sign on behalf of the applicant, the examining attorney must refuse registration because the application did not meet the requirements of Trademark Rule 2.21, 37 C.F.R. Section 2.21, for receiving a filing date.

If the examining attorney determines that the person who signed for the applicant lacked the requisite authority, but the person possessed at least color of authority, the examining attorney will require a substitute declaration or verification.

The Office will accept copies of signed applications for the purpose of granting a filing date. Applicants cannot send copies of applications by fax directly to the Office, but the Office will accept copies which have been produced by fax in the same manner as any other copy. However, if a copy is filed, the applicant must provide the signed original copy of the application during prosecution. If the applicant has not done so earlier, the examining attorney will require that the applicant do so in the first action in the case. In no case will anything other than a certificate or certified copy of a foreign registration be accepted for purposes of granting a filing date in an application based on Trademark Act Section 44(e), 15 U.S.C. Section 1126(e).

b. Drawing Size

Effective July 3, 1989, the Office requires that drawings conform to the size requirements specified in Trademark Rule 2.52(c), 37 C.F.R. Section 2.52(c), to receive a filing date. If the mark in a special-form drawing is displayed in an area larger than four inches by four inches, it will be regarded as not being in substantial conformity with the rule and the application will be denied a filing date and returned to the applicant. If an examining attorney discovers an application with a drawing which does not conform to this requirement, the examining attorney should return the application to the Trademark Services Division for appropriate handling. It should not be examined.

Other changes relating to the minimum requirements for receiving a filing date which relate to specific types of applications are noted under the discussion of those specific types of applications.

2. Identifying the Applicant and Applicant's Address

Trademark Rule 2.33(a)(1)(ii), 37 C.F.R. Section 2.33(a)(1)(ii), has been revised to state the requirements related to identifying a partnership. The rule now specifies that the application must identify "the state or nation under the laws of which the partnership is organized." This revision merely reflects long-standing Office practice. The applicant must also provide the names of all general partners and their state or nation of incorporation or their citizenship, as appropriate.

Also, an individual applicant may provide either a business or residence address. Both addresses are no longer required.

3. Drawings

Trademark Rule 2.51(d), 37 C.F.R. Section 2.51(d), has been added to provide guidance concerning the nature of drawings in the case of certain unusual types of marks. The rule provides as follows:

(d) Broken lines should be used in the drawing of a mark to show placement of the mark on the goods, or on the packaging, or to show matter not claimed as part of the mark, or both, as appropriate. In an application to register a mark with three-dimensional features, the drawing shall depict the mark in perspective in a single rendition.

This provision is intended to provide guidance to applicants wishing to register certain types of marks, such as configurations of goods or configurations of packaging for goods and similar marks. The provision brings the rules into conformity with current practice. The drawing should clearly define the matter the applicant claims as its mark. See *In re Famous Foods, Inc.*, 217 USPQ 177 (TTAB 1983). If the mark is three-dimensional, the drawing should present the mark in three dimensions. *In re Schaefer Marine, Inc.*, 223 USPQ 170 (TTAB 1984).

Trademark Rule 2.52(e), 37 C.F.R. Section 2.52(e), has been revised to simplify the color linings used to identify the colors orange and yellow or gold in drawings of marks. If an applicant employs the color linings formerly designated for these colors, the examining attorney should not require a new drawing. The revised rule has been adopted for the convenience of applicants, and the Office will allow a reasonable time for applicants to adjust to the new coding.

Trademark Rule 2.52(d), 37 C.F.R. Section 2.52(d), has been amended to modify the content of the drawing heading. Specifically, it now requires that an applicant claiming the benefit of a foreign application under Trademark Act Section 44(d), 15 U.S.C. Section 1126(d), specify the priority date in the drawing heading. It also recommends that applicants provide, as a part of the heading, a description of the essential elements of the mark in the case of a special-form drawing.

4. Specimens - Requirements

Trademark Rules 2.56 and 2.57, 37 C.F.R. Sections 2.56 and 2.57, have been revised to reduce the number of specimens or facsimiles required in an application from five to three. In view of this rule, the public may remove only two surplus copies of specimens from the file permanently. At least one original of each type of specimen submitted must be retained in the file to ensure a complete record of the case. In the case of applications filed before November 16, 1989, the Office will not require more than three specimens per class in any action taken on or after that date.

The referenced rules have also been revised to reflect the provisions of the 1988 amendments revising Trademark Act Section 45, 15 U.S.C. Section 1127. Specifically, the definition of "use in commerce" has been revised to provide that when the nature of the goods makes placement of the mark on the goods, containers, tags, labels or displays associated with the goods impracticable, then placement of the mark on documents associated with the goods or their sale constitutes use in commerce. The referenced rules have been amended to reflect this change. See *In re E.A. Miller & Sons Packing Co.*, 225 USPQ 592 (TTAB 1985). Therefore, the examining attorney should accept documents associated with the goods or their sale, in the case of goods sold in bulk or in similar cases, where placement of the mark on the goods themselves is impracticable.

The referenced rules regarding specimens or facsimiles have also been revised to establish 8.5 by 11 inches as the maximum size permitted for such items. This revision brings the rule into conformity with the preferred size indicated for all filings and standards prevailing in federal practice in general.

5. Specimens - Examination

The 1988 amendments also revise the definition of "use in commerce" to adopt a stricter standard. The Act now states, "The term 'use in commerce' means the bona fide use of a mark in the ordinary course of trade, and not merely to reserve a right in a mark." Trademark Act Section 45, 15 U.S.C. Section 1127.

This stricter definition of "use in commerce" applies to all applications, affidavits of use and renewals filed on or after November 16, 1989. Cf. *Ralston Purina Company v. On-Cor Frozen Foods Inc.*, 746 F.2d 801, 223 USPQ 979 (Fed. Cir. 1984).

The Office will not inquire into the sufficiency of an applicant's or registrant's use in the examination of applications, amendments to allege use, statements of use, affidavits of use or renewals unless the specimens or other evidence of record clearly raise a question concerning the applicant's or registrant's use. The consideration of whether a particular use satisfies the statutory definition is more appropriate in an inter partes proceeding. The examining attorney should require new specimens generally under the same circumstances where the examining attorney would have required new specimens prior to the 1988 amendments. If the specimens appear to be temporary in nature, the examining attorney may require specimens of a more permanent nature.

Example—If an applicant seeks to register a mark suggesting a Christmas theme for greeting cards and submits as specimens birthday cards with an additional pasted label displaying the mark, the specimens could not be regarded as exhibiting "use in commerce." The examining attorney should refuse registration and require substitute specimens exhibiting use in commerce or an explanation to establish use in commerce.

When action is necessary, in appropriate cases, the examining attorney should require additional product or sales literature concerning the use of the mark to permit full consideration of the issue. Trademark Rule 2.61(b), 37 C.F.R. Section 2.61(b).

6. Identifications of Goods and Services

Trademark Rule 2.71, 37 C.F.R. Section 2.71, restricts amendments to the identification of goods or services as follows, "The identification of goods or services may be amended to clarify or limit the identification, but additions will not be permitted." Trademark Rule 2.71(b), 37 C.F.R. Section 2.71(b).

This rule applies to applications filed on or after November 16, 1989. The rule also applies to applications filed before November 16, 1989, for the purposes of any action taken on or after that date. However, if the Office issued a requirement or suggested an amendment in an action prior to that date, and the applicant submits an amendment substantially complying with the requirement or suggestion on or after the effective date, the examining attorney should accept the amendment, even though it does not comply with the new rule, if it is otherwise proper.

As noted previously, Trademark Act Section 7(c), 15 U.S.C. Section 1057(c), provides that the filing of any application for registration on the Principal Register establishes constructive use and nationwide priority contingent on issuance of the registration. The identification of goods and services in an application, therefore, defines the scope of those rights established by the filing of an application for the Principle Register. The following sections discuss identification of goods and services in general; additional information relevant to the identification of goods and services in an intent-to-use application is presented above with the specific discussion of such applications.

a. Limiting the Identification of Goods and Services

As indicated above, the rules permit amendments to limit the identification of goods and services. The rules also refer to "deletion" in relation to the identification of goods and services. See, e.g., Trademark Rule 2.74, 37 C.F.R. Section 2.74. "Deletion" means the elimination of an existing item in an identification of goods and services in its entirety. Deletion is distinct from other types of amendments to limit, such as amendments to limit the goods as to types, channels of trade or class of purchasers or to restrict an existing item in scope by the introduction of some qualifying language or the substitution of specific for more general terms.

Deletions from the identification of goods and services are permitted. If the applicant wishes to amend the identification of goods and services to delete one or more items, the examining attorney should accept the amendment, provided it is timely and otherwise proper. However, once the applicant has expressly

amended the identification of goods and services to delete an item it may not be reinserted in a later amendment.

If an applicant wishes to amend the identification of goods and services to insert an item which is equivalent to or logically encompassed by an item already included in the identification of goods and services, the examining attorney should permit the amendment, provided it is timely and otherwise proper.

If the applicant wishes to amend the identification of goods and services to restrict one or more of the items by inserting qualifying language or substituting more specific language, the examining attorney should accept the amendment, provided it is timely and otherwise proper.

Example — If the applicant initially identifies the goods as "publications," the applicant may amend to substitute one or more terms which fall under the definition of publications. Likewise, if an applicant identifies its goods as "pamphlets," the applicant may amend to indicate brochures or both because these terms are generally equivalent and interchangeable. In either case, the applicant must specify the subject matter.

Example — If the Applicant initially identifies the goods as "football uniforms," the applicant may amend to indicate football uniforms in Class 25 and football helmets and shoulder pads in Class 28. These goods are logically included within the initial identification. Footballs, however, could not be added; this would add an item not logically included within the original identification.

Example — If the applicant initially identifies the services as "prepaid medical services" and wishes to amend to underwriting prepaid medical plans and health care services in the nature of a health maintenance organization, the amendment should be permitted. Both specific services are logically included under prepaid medical services.

On the other hand, an applicant may not amend an identification of goods or services to add or substitute a term which is not logically included within the scope of the terms originally stated or which is otherwise qualitatively different from the goods and services as originally stated.

Example — If the applicant identifies the goods as "computer programs," the applicant may not add or substitute computers or other types of computer hardware to the listing.

Example — If the applicant initially identifies the goods as "hats," the applicant may not add or substitute scarfs in the identification of goods. Likewise, the applicant may not add or substitute shirts for slacks.

Example — If the applicant identifies its services as "ophthalmologist's services" and proposes to amend the identification to medical services, the amendment should not be permitted. The amendment would expand the identification to include services beyond the scope of those identified initially.

The scope of the goods and services, as originally identified or as amended by an express amendment, establishes the outer limit for any later amendments.

Because the rule precludes additions to the identification of goods and services, examining attorneys should not require or suggest unduly restrictive identifications of goods and services. See *In re Sentry Chemical Company*, 230 USPQ 556 (TTAB 1986). Once the identification has been limited, it cannot be expanded later. Also, in requiring amendments to the identification of goods and services, examining attorneys should generally advise applicants that additions to the identification of goods and services are not permitted. This subject is discussed in greater detail above in conjunction with intent-to-use applications.

b. Clarifying the Identification of Goods and Services

Under the rule, an applicant may amend "to clarify" the identification of goods and services. The applicant may clarify an identification of goods and services which is indefinite or overly broad to identify goods or services which are within the scope of the goods and services as identified initially. As noted,

the filing of an application for registration on the Principal Register establishes a constructive date of first use in commerce, contingent on issuance of the registration. Trademark Act Section 7, 15 U.S.C. Section 1057. Accordingly, the applicant may not expand those rights through amendment of the identification of goods and services.

Thus the applicant may amend from the more general to the specific, but the applicant may not amend the specific to the more general. The scope of the goods and services identified initially, or as limited by an express amendment, establishes the outer limit for permissible amendments. Classification may provide some guidance in determining whether an amendment exceeds the scope of the goods and services identified initially, but it is not controlling. The examining attorney may suggest and may permit amendments to the identification of goods and services resulting in a change of class, provided the amended identification does not exceed the scope of the original identification.

Example — If an applicant has erroneously identified its goods and services as "menus," but in fact, the applicant intends to register the mark for restaurant services, the applicant may not amend the identification of goods to "restaurant services." In such a case, the original identification, which is specific and narrow in scope, may not be expanded to services beyond the scope of that identification.

Example — If an applicant has erroneously identified its goods and services as "packaging and labels," but in fact, the applicant intends to register the mark for toys, the applicant may not amend to correct the identification. The initial identification failed to indicate the nature of the applicant's goods and services in any form, and therefore, the examining attorney must reject the amendment to insert an identification of goods and services beyond the scope of those stated initially.

Example — If an applicant has identified its goods and services as "advertising and business" the applicant may not amend to specific goods or to services other than those within the scope of these terms, generally those services included in International Class 35.

7. Claims of Acquired Distinctiveness

The 1988 amendments revise Trademark Act Section 2(f), 15 U.S.C. Section 1052(f), to permit the filing of a prima facie showing of acquired distinctiveness based on five years use running up to the date the claim is made. The Act now states: The Commissioner may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made.

Trademark Act Section 2(f), 15 U.S.C. Section 1052(f).

The Act previously required that the relevant five-year period precede the filing date of the application. Under the new provision, therefore, any five-year claim submitted on or after November 16, 1989, is subject to the new time period. This will apply even if the application was filed before November 16, 1989. See Trademark Rule 2.41(b), 37 C.F.R. Section 2.41(b). Note the discussion above concerning claims of acquired distinctiveness in intent-to-use applications (A.3.f.).

8. Supplemental Register

The 1988 amendments eliminate the one-year lawful-use requirement for eligibility for the Supplemental Register. Therefore, on or after November 16, 1989, an applicant may apply for registration on the Supplemental Register at any time after commencing use of the mark. Likewise, on or after November 16, 1989, an applicant may amend a pending application to seek registration on the Supplemental Register at any time after use of the mark has commenced. The applicant may do so even if the original application for the Principal Register was filed before November 16, 1989. See Trademark Rule 2.47, 37 C.F.R. Section 2.47. However, if the application was filed before November 16, 1989, and the applicant had not used the mark

in commerce for one year before the filing date, and the applicant amends to the Supplemental Register on or after November 16, 1989, the date of the amendment to the Supplemental Register becomes the effective filing date of the application.

As noted above (A.3.g.), an intent-to-use applicant may file an amendment to the Supplemental Register only after use has commenced and after the filing of an acceptable amendment to allege use or a statement of use. In such a case, the effective filing date of the application will be changed to the date on which the applicant filed the amendment to allege use under Section 1(c) of the Act or the statement of use under Section 1(d) of the Act.

In requesting registration on the Supplemental Register in either the original application or in an amendment to the Supplemental Register, the applicant need not include an additional statement as to lawful use. Although Section 23 still includes an explicit reference to lawful use, any use which is the basis for an application on either the Principal or the Supplemental Register must be lawful. It need not be stated explicitly.

In an application under Section 44 of the Act, the applicant may seek registration on the Supplemental Register without alleging lawful use in commerce and without alleging use anywhere in the world. Trademark Rule 2.47(b), 37 C.F.R. Section 2.47(b).

The 1988 amendments also add the following language to Trademark Act Section 27, 15 U.S.C. Section 1095, "Registration of a mark on the Supplemental Register shall not constitute an admission that the mark has not acquired distinctiveness." Examining attorneys, therefore, should note this provision in presenting any refusals or requirements related to the nondistinctive character of a mark previously registered on the Supplemental Register.

9. Affidavits of Use under Section 8

The 1988 amendments modify the requirements for the content of an affidavit of use which must be filed between the fifth and sixth anniversaries of registration. Trademark Act Section 8, 15 U.S.C. Section 1058. Under the new provision, the registrant must identify the specific goods or services on or in connection with which the mark is in use in commerce. Similarly, if the registrant elects to present an explanation of excusable nonuse, this explanation must also relate to specific goods or services.

Formerly, the allegation of use in commerce related to one or more classes with no requirement to specify the goods or services within a class on or in connection with which the mark was in use. If the registrant fails to provide an allegation of use or a satisfactory explanation as to nonuse as to any goods or services in the registration, those goods or services will be cancelled from the registration. If the original affidavit of use fails to specify the goods and services, the registrant may not amend the affidavit to correct this omission after the expiration of the period during which the affidavit is due. The registrant may incorporate the goods and services by reference. For example, the registrant may state, "those goods and services specified in the registration" or "those goods and services specified in the registration except. . ." specifying any goods or services to be deleted.

The new provision also explicitly requires specimens of use to support the affidavit. Formerly, the Act required a "showing" and the Trademark Rules of Practice required as follows. "The statement must be supported by evidence which shows that the mark is in use, and normally such evidence consists of a specimen or a facsimile specimen which is currently in use, or a statement of facts concerning use." In view of the 1988 amendments, the rules have been revised to specify that specimens or facsimiles are required. Trademark Rules 2.161 and 2.162, 37 C.F.R. Sections 2.161 and 2.162.

Specimens of use must be provided before the expiration of the sixth year following registration. If the registrant fails to do so, the registration will be cancelled. If the registrant does provide specimens, but the Office determines that those specimens are unacceptable, the Office will require substitute specimens. In such a case, the registrant must provide specimens of use within the time provided. Substitute specimens may be filed after the expiration of the sixth year. If the registrant fails to do so, the registration will be cancelled. The registrant must also verify in an affidavit or a declaration under Trademark Rule

2.20, 37 C.F.R. Section 2.20, that the substitute specimens were in use in commerce before the expiration of the sixth year following registration.

Registrants filing affidavits under Section 8 should also note the revised rule concerning the establishment of ownership. Trademark Rule 2.186, 37 C.F.R. Section 2.186, permits a registrant to establish ownership either by recording an assignment in the Assignment Branch of the Office or by submitting proof of the assignment without recording.

10. Term and Renewal

The 1988 amendments reduce the registration and renewal term from twenty to ten years. Trademark Act Sections 8(a) and 9, 15 U.S.C. Sections 1058(a) and 1059. Accordingly, registrations issued on or after November 16, 1989, will be issued for ten-year periods and subject to renewal for ten-year periods. Registrations issued prior to that date remain in force for their existing term of twenty years, but are subject to renewal for ten-year periods. Trademark Rule 2.181, 37 C.F.R. Section 2.181. For the purpose of determining the relevant renewal period, the Office will adhere to the following policy during the transition.

- i. If the registration expires on or after November 16, 1989, the registration will be renewed for ten years. The Office will not take final action to grant any such renewal until November 16, 1989.
- ii. If the registration expires before November 16, 1989, and the Office takes final action to grant the renewal before that date, the registration will be renewed for twenty years.
- iii. If the registration expires before November 16, 1989, and the Office takes final action to grant the renewal on or after November 16, 1989, the registration will be renewed for ten years.

All renewal terms run from the expiration date of the previous term.

Note Trademark Rule 2.186, 37 C.F.R. Section 2.186, regarding requirements related to the establishment of ownership of the registration for the purpose of renewals which permits a registrant to establish ownership either by recording an assignment in the Assignments Branch of the Office or by submitting proof of the assignment without recording.

11. Assignments

a. Content of Assignment Documents

Office policy governing trademark assignments provides that an assignment relating to an application or registration will be recorded, even if the assignment document itself does not identify the relevant application or registration numbers, provided certain conditions are met. Specifically, the policy requires as follows with respect to the identification of the properties assigned in such a case:

- (i) The mark and the goods and services are identified in the assignment document (or the assignment is of all registrations and/or applications owned by the assignor), and the application or registration is identified by number and date in a transmittal letter or attachment to the assignment document, in which case, such letter or attachment shall become part of the record of the assignment; or
 - (ii) An assignment is executed concurrently with or subsequent to the filing of an application but before its serial number and filing date are ascertained, and the application is identified by its date of execution, name of the applicant, mark and goods or services.
- b. Issuance of Registration in Current Owner's Name

Trademark Rule 2.187, 37 C.F.R. Section 2.187, has also been revised to clarify Office policy concerning issuance of registrations in the name of assignees or in a new name of the applicant. The rule provides as follows:

The certificate of registration may be issued to the assignee of the applicant, or in a new name of applicant, provided that the

party makes a written request in the application record, by the time the application is being prepared for issuance of the certificate of registration, and an appropriate document is of record in the Assignment Search Room of the Patent and Trademark Office. If the assignment or name change document is not of record in the Assignment Search Room, then the written request must state that the document has been filed for recordation. The address of the assignee must be made of record in the application file and in the recorded document.

Trademark Rule 2.187, 37 C.F.R. Section 2.187.

Any application where such a request has been submitted should be forwarded to the assigned examining attorney. The assigned examining attorney will ensure that the assignment or change of name is entered in the file after recording and will then return the application to processing.

If a party other than the applicant of record attempts to take any action in a case, the examining attorney must confirm that the new party is the owner in accordance with Trademark Rule 2.186, 37 C.F.R. Section 2.186. That is, the applicant must provide the reel and frame number of an assignment, or the applicant must submit other evidence of ownership.

c. Assignment Fees

Applicants should note that, effective April 17, 1989, the fee for recording assignments of trademarks is \$8.00 per application or registration assigned. Trademark Rule 2.6, 37 C.F.R. Section 2.6.

12. Establishing Ownership of Applications or Registrations

Trademark Rule 2.186, 37 C.F.R. Section 2.186, as amended, provides:

Any action with respect to an assigned application or registration which may or must be taken by an applicant or registrant may be taken by the assignee provided that the assignment has been recorded or that proof of the assignment has been submitted.

The previous rule required recording of an assignment in a case where the applicant/assignee or registrant/assignee was required to take an action, such as filing a response to an Office action, filing an affidavit of use under Trademark Act Section 8 or filing a renewal. While it may be advisable for an applicant or registrant to record an assignment of an application or registration in view of the provisions of Trademark Act Section 10, 15 U.S.C. Section 1060, concerning subsequent purchasers, neither the Act nor the rules require recordation.

However, if the party taking the relevant action with respect to the application or registration is different from the applicant or registrant of record and the filing party has not recorded an assignment, the party taking the action must establish that it is the owner of the application or registration through appropriate evidence. This evidence may consist of a copy of a document transferring ownership from one party to another or an explanation in an affidavit or supported by a declaration under Trademark Rule 2.20, 37 C.F.R. Section 2.20, that a valid transfer of legal title has occurred.

13. Revival of Abandoned Applications

Trademark Rule 2.66, 37 C.F.R. Section 2.66, concerning petitions to revive abandoned applications, requires that all such petitions be filed "promptly." The Office will continue to consider each petition on the merits according to the circumstances of the case, but, as a general rule, all such petitions should be filed within two months of the abandonment date. The standard for granting a petition to revive continues to be "unavoidable delay." Please note the discussion above (A.10.) with specific reference to petitions to revive intent-to-use applications.

14. Concurrent Use

The 1988 amendments insert the following language in Trademark Act Section 2(d), 15 U.S.C. Section 1052(d), governing concurrent use applications which are subject to concurrent use proceedings in the Patent and Trademark Office:

Use prior to the filing date of any pending application or a registration shall not be required when the owner of such application or registration consents to the grant of a concurrent registration to the applicant.

The statute now provides greater flexibility to applicants seeking concurrent use registrations. Therefore, if the applicant is not entitled to a concurrent use registration on the basis of the jurisdictional requirement of use of its mark prior to the earliest filing date of any relevant pending application or registration, but the relevant prior applicant or registrant has consented to the applicant's concurrent use application, the examining attorney should approve the mark for publication, subject to a concurrent use proceeding, provided it is otherwise eligible.

Also, Trademark Rule 2.42, 37 C.F.R. Section 2.42, no longer requires that the stated exceptions in a concurrent use application be inserted in the verification or declaration. The exceptions need only be provided in the statement portion of the application.

15. Requests to Divide an Application

Trademark Rule 2.87, 37 C.F.R. Section 2.87, establishes procedures for dividing one application into two separate applications. The rule provides as follows:

(a) An application may be physically divided into two or more separate applications upon submission by the applicant of a request therefor, in accordance with paragraph (c) of this section. In the case of a request to divide out some, but not all, of the goods or services in a class, a fee for each new separate application to be created by the division must be submitted. Any outstanding time period for action by the applicant in the original application at the time of the division will be applicable to each new separate application created by the division.

(b) A request to divide an application may be filed at any time between the filing of the application and the date the Trademark Examining Attorney approves the mark for publication or the date of expiration of the six-month response period after issuance of a final action; or during an opposition, upon motion granted by the Trademark Trial and Appeal Board. Additionally, a request to divide an application under section 1(b) of the Act may be filed with a statement of use under section 2.88 or at any time between the filing of a statement of use and the date the Trademark Examining Attorney approves the mark for registration or the date of expiration of the six-month response period after issuance of a final action.

(c) A request to divide an application should be made in a separate paper from any other amendment or response in the application. The title "Request to divide application." should appear at the top of the first page of the paper.

By dividing the application, the applicant preserves the filing date, and thus the potential constructive use date, as to all of the goods and services covered by the application.

Under the rule, the applicant may request that certain goods or services in a single class be divided, that is, that a separate application with the same filing date be created to cover those goods or services. The applicant may also request that an entire class or several classes be divided, that is, that one or more separate applications with the same filing date be created to cover certain classes.

An applicant may request division of an application for any reason. For example, in an intent-to-use application, the applicant may wish to proceed to publication or registration with certain goods and services on or in connection with which it has used the mark in commerce and retain an active application for any remaining goods or services. The applicant can do so by requesting division of the application.

If the applicant requests that the goods or services in a single class be divided into one or more separate applications, the applicant must submit an application fee for each new application to be created. The fee is the same as the fee for the filing of a new single-class application, \$175.00. If an entire class is to be divided out from a multiple class application, there is no fee. Trademark Rule 2.87(a), 37 C.F.R. Section 2.87(a). There is no fee for the request to divide itself.

a. Processing Requests to Divide

Specially designated personnel in the ITU Unit will process all requests to divide. All requests to divide will be given priority in processing over any other paper in the case. All requests to divide should be forwarded to the ITU Unit immediately for processing. However, if the application is the subject of a proceeding before the Trademark Trial and Appeal Board, the request should first be forwarded to the Board for appropriate action. The ITU Unit will process the request as promptly as possible and will return the application or applications to regular processing after completing action on the request to divide.

If the request to divide does not include a necessary fee or is otherwise deficient, the ITU Unit will notify the applicant of the deficiency. The applicant must correct any such deficiency within thirty days or, if the division is a necessary component of a statement of use, within the time permitted for filing the statement of use, whichever is shorter. If the applicant fails to correct the deficiency within the time provided, the request will be considered abandoned and the application will be processed without regard to the request. The ITU Unit will advise the applicant of any such action and will refund any fees paid in conjunction with the request to divide.

If the applicant submits a request to divide along with a statement of use and a request for an extension of time, and the fees are insufficient to cover all three, the fees will be applied first to the request for an extension of time, second to the statement of use and lastly to the request to divide.

If the applicant submits a request to divide along with a statement of use, and the fees are sufficient for the statement of use only, and no time remains for filing additional fees, the applicant will be given the opportunity to amend the statement of use to include all goods or services in the application. The applicant must establish that the applicant used the mark in commerce on or in connection with all such goods or services within the time permitted for filing the statement of use. If time does remain in the existing period for filing the statement of use, the applicant will be permitted to submit the additional fees within that time period.

Filing a request to divide an application does not relieve an applicant of the duty to respond to any outstanding Office action or to take any other required action.

Likewise, the applicant should note that any outstanding time period for action by the applicant in effect at the time the application is divided applies not only to the original application, but also to each new application created in the division of the application. Therefore, if a response to an Office action is due in a case, the response is due likewise in each new application created through the division of the application.

Similarly, if a statement of use is due, the period for filing the statement of use relevant to the original application is likewise relevant to each new application created through the division.

If a request to divide an application is received at any time other than those specified, it will be returned to the applicant with any fees submitted for that purpose and the application will not be divided.

The Office will not consider a request to merge two separate applications into a single application once again after a proper request to divide has been granted.

b. Division of Registration Not Permitted

A registration cannot be divided into one or more separate registrations.

16. Correspondence with Applicants Not Domiciled in the United States

Trademark Rule 2.18, 37 C.F.R. Section 2.18, has been revised to clarify Office policy with respect to correspondence with applicants not domiciled in the United States. In such a case, the Office will send correspondence to the applicant's domestic representative unless the applicant has authorized an attorney or another qualified person to prosecute the application. If the applicant has authorized an attorney or other qualified person to prosecute the application, the Office will send correspondence to that authorized person.

17. Preferred Size for Application Papers

Trademark Rule 2.31, 37 C.F.R. Section 2.31, now specifies that the preferred size for application papers is letter size. This policy applies to all submissions related to all applications.

C. PROVISIONS AFFECTING APPLICATIONS UNDER SECTION 44 OF THE ACT

The 1988 amendments introduce relatively few changes affecting applications filed under Trademark Act Section 44, 15 U.S.C. Section 1126. The amended Rules of Practice incorporate changes dictated by decisions in the area and clarify Office policy related to the administration of Section 44 in other respects. The provisions are summarized in this section.

1. Filing-Date Requirements

As noted above (A.1.a.), the amended Rules of Practice institute a number of changes related to receipt of a filing date which affect all applications. This section addresses only those changes which relate specifically to applications under Section 44. Trademark Rule 2.21, 37 C.F.R. Section 2.21, sets forth the minimum formal requirements to receive a filing date for the various types of applications. These minimum requirements do not include all of the requirements which may apply to qualify for registration.

a. Statement of a Bona Fide Intention to Use the Mark in Commerce

The 1988 amendments require all applicants under Section 44 of the Act to allege a bona fide intention to use the mark in commerce, although use in commerce is not required as a condition to registration. Any application under either Section 44(d) or 44(e) of the Act must include such a statement to receive a filing date. Trademark Rule 2.21(a)(5)(ii) and (iii), 37 C.F.R. Section 2.21(a)(5)(ii) and (iii).

The Office will not presume that an application under Section 44 is also based on intent to use under Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). If the applicant wishes to assert both bases, the applicant must indicate so specifically. If the applicant indicates that Section 44 is the basis, and nothing more, and the applicant fails to comply with the relevant Section 44 filing-date requirements, the applicant will be denied a filing date, even if the application includes a statement of a bona fide intention to use the mark in commerce.

b. Priority Claim or Certified Copy of a Foreign Registration

In the case of an application claiming the benefits of Section 44(d), the application must be filed in the U.S. within six months of the relevant foreign filing and must include a claim of the benefit of a prior foreign application to receive a filing date. Trademark Rule 2.21(a)(5)(iii), 37 C.F.R. Section 2.21(a)(5)(iii). Trademark Rule 2.39, 37 C.F.R. Section 2.39, sets forth the required content of such a claim, essentially, the filing date and country of the first regularly filed foreign application. The applicant should also indicate the serial number of that application, if it is available. The serial number is not required to receive a filing date, however.

In the case of an application under Section 44(e), the application must include a certification or certified copy of the foreign registration on which the United States application is based to receive a filing date. Trademark Rule 2.21(a)(5)(ii), 37 C.F.R. Section 2.21(a)(5)(ii). If the applicant submits any type of copy other than an original of a certified copy, the Office will not grant a filing date.

2. Statement of Dates of Use and Method of Use and Specimens Not Required

In any application under Section 44, the applicant need not state a date of first use anywhere, nor a date of first use in commerce, nor the method of use. Also, the applicant need not provide specimens of use. *Crocker National Bank v. Canadian Imperial Bank of Commerce*, 223 USPQ 909 (TTAB 1984). Trademark Rules 2.21 and 2.33, 37 C.F.R. Sections 2.21 and 2.33, have been amended to reflect this change. In such a case,

the mark need not be in use anywhere for the purposes of the U.S. application.

3. The Basis for Registration in Applications Claiming the Benefits of Section 44(d)

In *re Daiwa Seiko, Inc.*, 230 USPQ 794 (Comm'r Pats. 1983), the Commissioner clarified the distinction between Sections 44(d) and (e) of the Act. The Commissioner held that Section 44(d) only provides a basis for receiving a priority filing date but does not provide a basis for registration. Therefore, an application claiming the benefit of a foreign application under Section 44(d) must include a basis for registration also. In most cases, the basis for registration will be the foreign registration which will issue from the foreign application relied upon for priority. The Office will presume that this is the basis for registration in any application under Section 44(d) unless the applicant indicates otherwise.

Furthermore, the assertion of a different basis for registration more than six months after the filing of the foreign application, including reliance on a different foreign registration under Section 44(e), will result in the loss of the priority filing date under Section 44(d) of the Act. In such a case, the Office will change the filing date in the United States to the date on which the applicant perfects the new basis for registration by providing either a proper statement of dates of use in commerce, a proper assertion of an intent to use in commerce under Section 1(b) of the Act or a certificate or certified copy of a foreign registration. See TMPEP section 706 and Chapter 1000.

In an application filed under Section 44 before November 16, 1989, the applicant may amend to add Section 1(b) as a basis for registration on or after that date. However, if the applicant has claimed priority under Section 44(d) in such a case, and the applicant drops the original basis for registration to rely on Section 1(b) only, the applicant may not retain the priority date unless the amendment asserting Section 1(b) as a basis for registration was made within six months of the filing of the foreign application relied on for priority. If the amendment was made later and the applicant drops the original basis for registration, the effective filing date of the application is the date of the amendment to assert Section 1(b) as a basis for registration.

D. PROVISIONS AFFECTING APPLICATIONS BASED ON USE IN COMMERCE ONLY

The 1988 amendments and the amended Rules of Practice do not provide any changes, as such, related specifically to applications based on use in commerce under Trademark Act Section 1(a), 15 U.S.C. Section 1051(a), other than those noted above (Section B) affecting all applications. In one instance, noted here, the amended Rules of Practice merely set forth long-standing Office policy in the rules for the first time.

Trademark Rule 2.59(a), 37 C.F.R. Section 2.59(a), provides as follows:

In an application under section 1(a) of the Act, the applicant may submit substitute specimens of the mark as used on or in connection with the goods, or in the sale or advertising of the services, provided that any substitute specimens submitted are supported by applicant's affidavit or declaration in accordance with Section 2.20 (37 C.F.R. Section 2.20) verifying that the substitute specimens were in use in commerce at least as early as the filing date of the application. The verification requirement shall not apply if the specimens are duplicates or facsimiles, such as photographs, of specimens already of record in the application.

As noted, this provision merely states long-standing policy in the regulations for the first time.

E. FILING ON MORE THAN ONE BASIS AND CHANGING THE BASIS OF THE APPLICATION

Trademark Rule 2.33(d), 37 C.F.R. Section 2.33(d), precludes the filing of an application based on both use in commerce under Trademark Act Section 1(a), 15 U.S.C. Section 1051(a), and a bona fide intention to use the mark in commerce under Trademark Act Section 1(b), 15 U.S.C. Section 1051(b). This prohibition precludes applications in a single class alleging both

use in commerce and intent to use as to either the same goods and services or different goods or services. Likewise, the prohibition precludes applications in more than one class alleging both use in commerce and intent to use. If an applicant submits an application asserting both Section 1(a) and 1(b) bases for registration, the Office will not grant a filing date and will return the papers to the applicant.

The rule also precludes amendments in applications initially based on use in commerce under Section 1(a) to change the basis to intent to use under Section 1(b). In an application under Section 1(b) of the Act, an applicant may assert dates of first use which are earlier than the filing date of the application in an amendment to allege use or a statement of use.

Applicants may allege Section 44 as an additional basis for registration in conjunction with either use in commerce under Section 1(a) or intent to use under Section 1(b). In such a case, an applicant may also allege different bases for the application as to specific goods or services within a class. If an applicant asserts more than one basis for registration, the applicant must satisfy all of the requirements for registration which apply to each basis asserted. The applicant must indicate clearly that it asserts two bases for registration.

If an applicant asserts both intent to use and Section 44(e) as the bases for registration, the Office will not approve the mark for publication until the applicant submits a certificate or certified copy of the foreign registration.

In an application filed under Section 44 before November 16, 1989, the applicant may amend to add Section 1(b) as a basis for registration on or after that date. However, if the applicant has claimed priority under Section 44(d) in such a case, and the applicant drops the original basis for registration to rely on Section 1(b) only, the applicant may not retain the priority date unless the amendment asserting Section 1(b) as a basis for registration was made within six months of the filing of the foreign application relied on for priority. If the amendment was made later and the applicant drops the original basis for registration, the effective filing date of the application is the date of the amendment to assert Section 1(b) as a basis for registration.

[1108 TMOG 30]

(208) Appropriate Parties to Sign Request for Extension of Time to File Statement of Use

Filing of Petition Does Not Stay Period for Filing Further Extension Request or Statement of Use

One of the most common reasons for the ITU/Divisional Unit to reject a request for an extension of time to file a Statement of Use, filed in connection with an application based upon a bona fide intention to use the mark in commerce under Section 1(b) of the Trademark Act, is because the request was signed by the attorney of record or other inappropriate party.

Under Trademark Rule 2.89, 37 CFR 2.89, only the "applicant" may sign the extension request. Thus, the only persons who may sign extension requests, in cases where the applicant is a corporation, are corporate officers; in cases where the applicant is a partnership, are general partners; and in cases where the applicant is a sole proprietorship or individual filer, is the sole proprietor or individual applicant. An attorney will not be the proper party to sign an extension request unless he or she is also an officer, a general partner, a sole proprietor, or an individual, as discussed above.

An extension request which is not signed by the appropriate party will be rejected. If no time remains in the six-month statutory period to file an acceptable extension request, the application will be declared abandoned, unless a timely-filed petition to the Commissioner is granted. Under Trademark Rule 2.89(g), 37 CFR 2.89(g), a petition to the Commissioner, to review the action of the ITU/Divisional Unit rejecting an extension request, must be filed within one month of the date of the mailing of the action rejecting the request.

Further, Trademark Rule 2.89(g), 37 CFR 2.89(g), states that "[f]ailure to notify the applicant of the grant or denial of the request prior to the expiration of the existing period or requested extension does not relieve the applicant of the responsibility of timely filing a statement of use..." This is also true in the case

where the applicant has petitioned the Commissioner, under Trademark Rule 2.66, to revive an abandoned application or, under Trademark Rule 2.146, to review the action of the ITU/ Divisional Unit rejecting an extension request or Statement of Use. The petition does not stay the time for filing subsequent extension requests or a Statement of Use. *In re Hoffmann-LaRoche, Inc.* _____ USPQ 2d _____ (Comm'r Pats. 1992)

Therefore, it is important to note that, once a petition has been filed, the applicant must continue to file acceptable extension requests, or a Statement of Use, if appropriate, before the expiration of each successive extension period. If the petition is denied, the fees for these documents, paid during the pendency of the petition, will be refunded.

April 13, 1992

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

[1138 OG 22]

(209) Questions and Answers

I. New Trademark Application Filing Requirements

The Trademark Law Revision Act of 1988, which was implemented on Nov. 16, 1989, contains the most significant amendments to the Lanham Act since its enactment in 1947. The Patent and Trademark Office has significantly revised the Trademark Rules of Practice to reflect the changes in the law. Additionally, the PTO has issued a supplement to Revision 7 of the *Trademark Manual of Examining Procedure* that reflects the changes in the law, rules, and Office policy and is available from the Government Printing Office.

The PTO's Office of the Assistant Commissioner for Trademarks has prepared a series of "Questions and Answers" about Office practice under the new law and rules. This first in the series concerns the requirements for the initial filing of an application. Subsequent "Questions and Answers" will address various examination issues, the statement of use, requests for extension of time to file the statement of use, the amendment to allege use and notice of allowance.

Q. What is an intent-to-use application?

A. The Trademark Law Revision Act of 1988 became effective on Nov. 16, 1989. It amended the Trademark Act to add a new basis for filing an application for Federal trademark registration on the Principal Register. A party with a bona fide intention to use a specific mark in commerce in relation to specific goods or services may now file an application. However, before the mark will be registered, the applicant must use the mark in commerce in connection with the specified goods or services and submit specimens evidencing use and a verified allegation concerning that use.

First, an intent-to-use application will be examined in relation to all substantive and procedural requirements, except use-related issues, and, if acceptable, published for opposition. If there is no opposition, or any opposition is resolved in the applicant's favor, the applicant will receive a notice of allowance.

The applicant must submit a statement of use within six months of that date, or request a six-month extension of time. The applicant may then request up to four additional six-month extensions of time in which to file the statement of use. The grant of such extensions is predicated, in part, upon the applicant's showing of "good cause" as to why the mark has not yet been used. Thus, an applicant may have up to 36 months from the mailing of the notice of allowance within which to file a statement of use. (See Trademark Rules 2.88 and 2.89 concerning the requirements for a statement of use and extension requests.) Upon filing, the statement of use will be examined and, if accepted, the mark will register.

Q. How does an intent-to-use application differ from an application based upon use in commerce?

A. The primary difference between the two types of applications is the basis for filing. Because of that difference, the filing

requirements and processing of the two types of applications differ.

A party may not file an application based upon use of a mark in commerce until after that use has occurred. Instead of asserting a bona fide intent to use the mark in commerce, the use-based application must include allegations concerning dates of use and specimens evidencing use as a filing requirement. The use-based application will be examined and, if acceptable, published for opposition. If the mark is not opposed, or any opposition is resolved in the applicant's favor, the mark will register. This procedure differs from the application procedure for an intent-to-use application, as noted above.

However, in all other respects the legal reasons for refusing registration (such as descriptiveness, likelihood of confusion, etc.) and the procedural requirements (such as specificity of identifications of goods, signature by applicant, etc.) are exactly the same for the two types of applications. Additionally, upon registration, the filing date of any application on the Principal Register is a constructive date of first use of the mark.

Q. What are the requirements for filing an intent-to-use application?

A. A complete intent-to-use application consists of a written application, a drawing of the mark, and the required filing fee for each class of goods. The requirements for a written intent-to-use application are set forth in Trademark Rule 2.33. The application must be made to the Commissioner of Patents and Trademarks, must include a request for registration, and must be signed and verified (sworn to) by the applicant.

The application must specify: the name and address of the applicant; information about the applicant's legal entity; a claim that the applicant has a bona fide intention to use the mark in commerce; the particular goods or services on or in connection with which the applicant has a bona fide intention to use the mark; the class of goods or services according to the official classification, if known to the applicant; and the intended mode, manner or method of applying, affixing or otherwise using the mark on or in connection with the goods or services specified.

The applicant must sign a verification of the application which includes, in part, averments that the applicant is believed to be entitled to use the mark sought to be registered; that to the best of the declarant's knowledge and belief no other entity has the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when applied to the goods or services of such other entity, to cause confusion, or to cause mistake, or to deceive; and that the facts set forth in the application are true.

Please note that Rule 2.33 differs from section 1(b) of the Act because the rule requires the above verification to include a statement that "the applicant is the owner of the mark" rather than that "the applicant believes it is entitled to use the mark." This specific requirement of the rule should be disregarded to the extent that it differs from the statute. The rule will be amended in due course.

Q. What are the minimum requirements for receipt of a filing date for an intent-to-use application?

A. Trademark Rule 2.21 sets forth the minimum requirements for receipt of a filing date for intent-to-use applications, as well as other types of applications. These minimum formal requirements do not include all of the requirements which may ultimately be necessary to obtain registration, but merely those which must be satisfied to receive a filing date.

An intent-to-use application must include the following elements in order to receive a filing date: the name of the applicant, the name and address to which communications can be directed, a drawing of the mark substantially meeting all of the requirements of Trademark Rule 2.52, an identification of goods or services, a claim of a bona fide intention to use the mark in commerce, a verification or declaration under Trademark Rule 2.33(b) signed by the applicant, and the required filing fee for at least one class of goods or services. If an application lacks any one of these elements, it will be denied a filing date and all papers will be returned to the applicant as informal.

Q. Is there any change in the requirements for applications based upon either use in commerce or Section 44 of the Trademark Act?

A. Yes. Effective Nov. 16, 1989, an application *must* be signed in order to receive a filing date. Trademark Rule 2.21 has been amended to require that an application include a verification or declaration in accordance with Trademark Rule 2.33(b), signed by the applicant, to receive a filing date. This requirement applies to *all* applications filed after Nov. 16, 1989, regardless of the basis for filing. Unsigned applications will be returned to the applicant as informal. A verified assertion, signed by the applicant, of the basis for filing, is believed to be essential because of the importance of the filing date as a constructive date of first use of the mark for registration of the Principal Register.

All other filing requirements for use-based applications remain unchanged.

Concerning Section 44 which permits, under certain circumstances, the filing of an application in the United States based upon an application or registration in another country, there are two additional changes. Effective Nov. 16, 1989, an application filed under Section 44(d) or Section 44(e) of the Trademark Act must include an allegation that the applicant has a bona fide intention to use the mark in commerce. However, Section 44 applicants will still be exempt from any use requirement as a condition to registration. In other words, Section 44 applicants are not required to file specimens evidencing use of the mark or an allegation of use in order to obtain registration.

As a requirement for obtaining a filing date, an application filed pursuant to Section 44(d) must include in the heading of the drawing the date of the foreign filing which forms the basis of its priority claim.

Q. Who can sign an application?

A. There are two issues that may arise with respect to the signature on an application: (1) whether the signature is sufficient for receipt of a filing date, and (2) whether the signature is that of the applicant.

The following persons can properly sign an application for an applicant: an individual applicant, a general partner of a partnership, or an officer of a corporation or association.

If an application is signed by an improper party, but the improper party had "color of authority" to act for applicant, the Office will require re-execution of the application, but will not invalidate the filing date. (See Trademark Rule 2.71(c) concerning "color of authority.") The Examining Attorney will determine whether the signatory had color of authority to sign the application for the applicant. A person has such color of authority if he or she has firsthand knowledge of the relevant facts and implied or actual authority to act on behalf of the applicant. A general manager may qualify under this standard. *The applicant's attorney will not ordinarily be regarded as possessing color of authority to sign on behalf of a client.* Attorneys, who are not employees of a corporate applicant, do not usually have firsthand knowledge of a client's business or the authority to act on behalf of a client, other than as legal representative.

If the signature is acceptable for the purpose of receiving a filing date (i.e., if the signatory had color of authority), but is not the signature of the applicant, a substitute verification by the applicant of the facts in the application will be required. If the person who signed did not have even color of authority, the Examining Attorney will refuse registration because the applicant did not meet the minimum requirements of Rule 2.21 for receipt of a filing date. An application signed by a party without color of authority is *void ab initio* and cannot be corrected by submission of a substitute declaration.

Q. Are "fax" copies of signatures acceptable?

A. The Trademark Operation does not have the equipment to accept documents transmitted by "fax" for purposes of receiving a filing date. However, the signature on a properly filed application may be a photocopy or "fax" copy of the original signature. The subsequent submission of the original document will be required by the Examining Attorney.

Q. What is the significance of the filing date?

A. Section 7 of the Trademark Act has been amended to provide that the filing date of an application of the Principal Register is a constructive date of first use of the mark in commerce,

provided the application matures into a registration. Thus, filing affords the applicant nationwide priority over others, with the exception of parties who had used the mark before the applicant's filing date, parties who had filed before the applicant, or parties who are entitled to an earlier priority filing date based upon the filing of a foreign application under Section 44(d) of the Trademark Act.

Q. Can an application be based upon both use and intent-to-use?

A. No. Section 1(a) of the Trademark provides for the filing of applications based upon actual use in commerce, while Section 1(b) provides for the filing of applications based upon intent-to-use. Trademark Rule 2.33(d) states that an applicant may not file under both Sections 1(a) and 1(b) of the Act in a single application, nor may an applicant in an application under Section 1(a) of the Act amend to seek registration under Section 1(b). Any application filed under both Sections 1(a) and 1(b) of the Trademark Act will be denied a filing date and returned to the applicant.

Q. Can an applicant assert both a Section 44 claim and an intent-to-use or use claim in the same application?

A. Yes. Section 44(d) provides for applications based upon an application for registration filed in an applicant's country of origin, and section 44(e) provides for applications based upon a registration in applicant's country of origin. An application may be based upon both a foreign application or registration under Section 44 and *either* use in commerce under Section 1(a) or intent-to-use under Section 1(b).

Q. Since a Section 44 application contains a statement of a bona fide intent to use the mark in commerce, isn't this also an intent-to-use application?

A. No. The statement of a bona fide intent to use a mark is one of the statutory requirements for a Section 44 filing and the PTO will not consider the mere inclusion of such a statement to constitute the assertion of a basis for filing under Section 1(b) of the Act. In other words, once the requirements for Section 44 are met and the application successfully completes the opposition period, the mark will register (rather than a notice of allowance issuing in the application).

A Section 44 applicant may *also* assert an intent-to-use basis by explicitly stating, after its statement of a bona fide intent to use the mark in commerce, that it is also asserting a Section 1(b) basis for filing.

Q. Can an intent-to-use application be filed on the Supplemental Register?

A. No. An intent-to-use application initially filed on the Supplemental Register will be denied a filing date and returned to the applicant. No amendment of an intent-to-use application to the Supplemental Register will be accepted until after use has commenced and after the filing and acceptance of an amendment to allege use or a statement of use. In such a case, the effective filing date of the application will be changed to the date on which the applicant filed the amendment to allege use under Section 1(c) of the Trademark Act or the statement of use under Section 1(d) of the Act.

Q. Must an intent-to-use applicant begin using the mark before a registration will issue?

A. Yes. An intent-to-use application may not mature into a registration until use of the mark has begun. After use begins, the applicant must verify such use in either (1) an amendment to allege use or (2) a statement of use. In addition, applicant must submit specimens evidencing use and a fee of \$100 per class of goods or services in the application.

Q. What is the difference between an amendment to allege use and a statement of use?

A. The primary difference between the amendment to allege use and the statement of use is the time of filing. The amendment

to allege use may be filed during initial examination of the application, i.e., after the filing date of the application and before the date on which the Examining Attorney approves the mark for publication. If the amendment to allege use is accepted, the application will then be processed for publication and issuance in the same manner as a use-based application.

If no amendment to allege use is filed before the Examining Attorney approves the mark for publication, the mark will be published for opposition. After the successful completion of the opposition period, the PTO will issue a notice of allowance. The applicant will then have six months from the date of the notice of allowance in which it must file a statement of use, or file a written request for an extension of time in which to file the statement of use. Successive extensions of time, aggregating no more than 36 months from the notice of allowance, may be obtained pursuant to Trademark Rule 2.89.

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

Nov. 27, 1989

[1110 TMOG 622]

(210) **Receipt of a Filing Date Under Section 44
of the Trademark Act -
Claim of a Bona Fide Intention
to Use the Mark in Commerce Required**

For purposes of receiving a filing date, applications filed in the United States based on prior registrations in an applicant's country of origin under Section 44(e) of the Trademark Act, 15 U.S.C. §1126(e), and applications claiming the benefit of a priority filing date in the United States based on prior application in a Paris Convention country under Section 44(d) of the Act, 15 U.S.C. §1126(d), must include a statement "that the applicant has a bona fide intention to use the mark in commerce." 15 U.S.C. 1126(d) and (e); Trademark Rules 2.21(a) (5) (ii) and (iii); 37 C.F.R. §2.21(a) (5) (ii) and (iii).

The claim of a bona fide intention to use the mark in commerce is expressly required by the statute and cannot be waived by the Commissioner for any reason. The claim is required in *all* applications filed under Section 44, even if the applicant has commenced use of the mark in commerce, and even if the applicant is also filing on the basis of use in commerce under Section 1(a) of the Act.

Where a Section 44 applicant has used the mark in commerce, it may choose to submit for the record an additional statement regarding actual use. For example, an applicant could state that it "has a bona fide intention to use the mark in commerce, as evidenced by the fact that actual use in commerce with the United States has commenced." In this way, the application will contain the statutorily required language of a "bona fide intention to use the mark in commerce," as well as the additional clarifying language that, in this particular instance, the mark is actually in use in commerce.

Jan. 8, 1992

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[1135 TMOG 44]

(211) **Reminders Concerning the Revised Rules
of Practice in Trademark Cases**

The Office offers the following reminders concerning certain requirements under the revised Rules of Practice in Trademark Cases to ensure proper and efficient processing of trademark papers.

1. Statement of A Bona Fide Intention to Use in Commerce

The Office has received a number of applications filed based on Trademark Act Section 44 which contain no claim of bona fide intention to use the mark in commerce. Sections 44(d)(2) and 44(e), and revised Trademark Rule 2.21 state the require-

ments for filing a trademark application based on a foreign application or registration. These sections require, among other things, that all applications filed pursuant to Section 44 state a bona fide intention to use the mark in commerce. Therefore if the application is filed based only on Section 44, and applicant has not recited a claim of bona fide intention to use the mark in commerce, the application will not be accorded a filing date and will be returned to the applicant.

This statement must include the words "in commerce." The statement should be set forth in its entirety prominently in the opening statement of the application to ensure that the application is accorded a filing date. The applicant may repeat the statement in the application declaration, if desired.

2. Assertion of Two Bases

If the applicant wishes to file based on both a bona fide intention to use the mark in commerce under Trademark Act Section 1(b) and a foreign application or registration under Trademark Act Section 44, the applicant must clearly indicate its intention to do so. In a Section 44 filing the Office will not presume Trademark Act Section 1(b) as an additional basis for filing by the mere statement of a bona fide intention to use the mark in commerce. If the applicant wishes to claim an additional basis under Section 1(b) of the Act it should indicate its intention with a separate statement claiming a basis under Section 1(b).

3. Filing Papers Before Notification of Serial Number

The Office recommends that applicants wait until they have received the filing fee receipt before filing any papers related to a trademark application. The filing fee receipt includes the assigned application serial number. The applicant should refer to the serial number in filing any paper to ensure that the paper is associated with the correct application file. For example, if applicant has filed a photocopy of its application in order to receive a filing date and follows up the photocopy with an original document, the applicant should wait for the filing fee receipt in order to have a serial number with which to reference the second document. Without the reference number, the papers may be returned to the applicant or the papers may be identified as a new filing, and accorded a new serial number.

In the same manner, it is preferable that amendments to allege use under Trademark Act Section 1(c) should not be filed until a filing fee receipt has issued and applicant can reference the serial number of the appropriate application when it submits its amendment to allege use.

The filing of an amendment to allege use has important ramifications in the publication of the mark and production of the *Official Gazette*. Therefore it is especially important that the Office be able to identify and process those papers promptly.

If the applicant files an amendment to allege use along with other amendments, it would be helpful if the applicant provides some indication that the filing is both an amendment to allege use and other amendments.

4. Section 8 Affidavit Requirements

Trademark Act Section 8, as amended, and revised Trademark Rule 2.162 requires, among other things, that registrants set forth the "goods or services recited in the registration on or in connection with which the mark is in use in commerce." The goods and services must also be set forth in any affidavit asserting excusable nonuse. Formerly, applicants were not required to set forth the specific goods and services. Applicant may meet the requirement to specify the goods or services *either* by listing the goods or services *or* by incorporating the goods and services by reference, e.g., "The registered mark is in use in commerce with all the goods and services listed in the registration." The list of goods and services or applicant's incorporation of the goods and services by reference should appear somewhere in the body of the affidavit.

Applicants should also take note of the revised requirement for a specimen or facsimile for each class of goods or services in the registration. The specimen or facsimile for each class must be filed prior to the end of the sixth year. Failure to meet these revised requirements may result in cancellation of all or part of a registration.

5. Filing of Miscellaneous Papers

Every paper filed with the Office which relates to an application or registration should include the serial number of the application or the registration number of the registration. The best practice would be to have the application number or registration number appear on every single sheet of paper which an applicant or registrant files with the Office, including any substitute specimens which applicant may file. Those papers filed with the Office which do not have the application serial number or the registration number reference on them must be identified by Office personnel using alternative means such as looking up the mark or owner in the automated search system. However, if papers become detached, the information which the Office needs to join a particular piece of correspondence to the correct file may not be available.

6. Time for Filing Corrections to Amendments to Allege Use

Applicants should note that Rule 2.76(a) provides that filing an amendment to allege use of a mark in commerce under section 1(c) is only permitted between the time of filing the application and the time the examiner approves the mark for publication. If applicant's amendment to allege use fails to meet the minimum requirements for an amendment to allege use as set out in Rule 2.76(e)(3), applicant must correct those defects prior to approval of the mark for publication or the application will be published without any consideration of the amendment to allege use. If the file is approved for publication before applicant can correct its amendment to allege use, applicant will be required to wait until a notice of allowance issues before it can file its affidavit of use. In these circumstances the fee applicant submitted for its original amendment to allege use will not be refunded or applied to the later filed statement of use.

Apr. 12, 1990

JEFFREY M. SAMUELS

Assistant Commissioner
for Trademarks

[1114 TMOG 31]

TRADEMARK POST REGISTRATION**(212) Trademark Rule 2.165 Requirement
Where A Section 8 Affidavit Or
Declaration Is Held Insufficient**

Several recent Petitions to the Commissioner have indicated a failure on the part of registrants and their attorneys to follow the requirements of Trademark Rule 2.165. Therefore, reviewing certain basic elements of this rule is considered timely so as to alert registrants and attorneys to technical errors which might lead to the cancellation of a valuable trademark registration.

Part (a) of Rule 2.165 indicates that the examiner will notify the registrant when an affidavit or declaration of use under Section 8 of the Statute is insufficient and the reasons therefor. When the registrant wishes the examiner to reconsider the affidavit or declaration, or when the registrant has taken additional steps to rectify the deficiencies and desires to have the examiner reconsider the affidavit or declaration in light of those steps, the request for reconsideration must be submitted within 6 months of the date of mailing of the notice of insufficiency.

Note, however, that a supplemental or substitute affidavit or declaration required by Section 8 cannot be considered unless it is received before the expiration of the six year anniversary of the registration. Consequently, registrants should file their affidavits as early as possible during the sixth year following registration.

There are situations where correcting the deficiency in the affidavit or declaration requires recording an assignment with the Assignment Division of this Office. If the recording cannot be completed within 6 months, the registrant must at least respond to the examiner's notice of insufficiency within that period. The response must indicate the steps being taken to correct the deficiency. The examiner can then allow the registrant additional time or suspend action depending on the

circumstances. Registrants must always observe the "six month response" period whenever responding to the examiner from an adverse action.

Part (b) of Rule 2.165 permits a registrant to request the Commissioner to review the action of the examiner when he is dissatisfied with that action. Review by the Commissioner should be sought only where it is believed that the examiner has erred in his action. In other words, the Commissioner's role is to review the correctness of the examiner's action and not to serve as an alter ego of the examiner before whom the registrant may seek to correct deficiencies.

When review by the Commissioner has been sought, the decision on that request constitutes the final action of the Patent and Trademark Office. If no review by the Commissioner is sought and if no request for reconsideration of an examiner's action is timely filed, the Commissioner will notify the registrant of the deficiency in the affidavit or declaration after the sixth year has expired. Such notice is never mailed prior to the expiration of the sixth year following registration nor until a reasonable time has elapsed following a six month period from the last action mailed by this Office. This notice constitutes the final action of the Patent and Trademark Office in those cases where the Commissioner's review has not been sought. Once this notice has been mailed, it is too late (under the Rules of Practice) to request the Commissioner to review the action of the examiner. Review would only be proper if an affiant could show circumstances sufficient to suspend the finality element of Rule 2.165(b) pursuant to Rule 2.148.

Registrants will be held to strict compliance with Rule 2.165 as it has been briefed above. Therefore, parties are urged to respond fully as soon as possible after an action is received from the examiner.

Dec. 12, 1977.

BERNARD A. MEANY,

Assistant Commissioner
for Trademarks.

[966 TMOG 80]

(213)

Late-Filed Renewal Fees

Sections 9 and 31 of the Lanham Act (15 U.S.C. §§ 1095 and 1113) require that an additional five dollar (\$5.00) fee be submitted by a registrant who files a renewal application during the three-month period following expiration of its registration. The language of the statute requires that this additional fee be submitted within the three-month grace period. A number of registrants who have failed to submit the additional fee within the prescribed period have petitioned the Commissioner to allow their renewal applications. The Commissioner has granted petitions of this kind where the registrant or its attorney maintained a Patent and Trademark Office deposit account which contained, on the date the renewal application was filed, sufficient funds to cover the additional fee. Specifically, the Commissioner has exercised discretion under Trademark Rules 2.146(a)(3) and 2.147 to deem the authorizations to charge the deposit accounts to have taken place at the time the registrants filed their renewal applications, even though the authorizations were not confirmed until a later date. This Office policy was established by the Commissioner's decision in *In re Ralston Purina Co.*, 191 USPQ 154 (Comr. Pats. 1976).

The policy established by the *Ralston Purina* decision is being changed. Henceforth, the Commissioner will no longer exercise discretion to charge deposit accounts *nunc pro tunc* for trademark renewal application fees. To allow an authorization to charge a deposit account to relate back to a date on which no actual authorization existed is, in effect, to allow late payment. It is inequitable to permit those registrants who have deposit accounts (or those whose attorneys have such accounts) to make late payment of renewal fees, while those without deposit accounts may not.

Petitions relying on *Ralston Purina* will, after the date of this notice, be denied, unless the events that gave rise to those petitions occurred before publication of this notice.

Feb. 20, 1981.

MARGARET M. LAURENCE,

Assistant Commissioner
for Trademarks.

[1004 O.G. 29]

(214) **Renewal Applications and
Section 8 Affidavits**

There has been a noticeable increase in the number of petitions requesting provisional acceptance of defectively executed Section 8 Affidavits and Renewal Applications under 35 U.S.C. § 26, the most common problem being a lack of notarization or a Rule 2.20 declaration. Often, such petitions are necessitated by the failure of registration owners to file the documents early enough to leave time in which to correct should they prove defective.

Section 8 Affidavits may be filed beginning with the fifth anniversary of the registration. The period for filing expires on the sixth anniversary of the registration. The period for filing Renewal Applications begins six months before the twentieth anniversary of the registration and extends three months beyond the expiration of the twenty year term. While the Post Registration Division may allow up to six months to respond to a notice of defect, it may not allow corrective action beyond the period for filing established by the Trademark Act. It is therefore in the registrant's best interest to file such documents as close to the opening date as possible to allow time for correction, if necessary. Provisional acceptance under 35 U.S.C. § 26 has been, and will continue to be, given narrow application. Registrants should not rely on 35 U.S.C. § 26 as a means of acquiring an extension of time.

We have also become aware of many delays caused by defects in the chain of title. Registrants are encouraged to keep Patent and Trademark Office assignment records current with regard to ownership of registrations.

The filing of Post Registration documents at the earliest date and maintenance of assignment records will help to avoid the cancellation or expiration of registrations of trademarks currently in use, and will result in a savings of time and expense for both the registrant and the Patent and Trademark Office.

Apr. 19, 1983. **MARGARET M. LAURENCE,**
Assistant Commissioner
for Trademarks.

[1030 TMOG 37]

(215) **Trademark Examining Operation**

Effective Dec. 1, 1983, all requests presented to the Patent and Trademark Office under the provisions of Section 7 of the trademark statute (15 U.S.C. 1057) will be considered by the Post Registration Section of the Trademark Examining Operation.

Necessary telephone inquiries concerning procedure or status should be directed to 703-557-1986.

Dec. 2, 1983. **MARGARET M. LAURENCE,**
Assistant Commissioner
for Trademarks.

[1038 TMOG 256]

(216) **Expedited Service for Certified Copies of
Trademark Registrations**

On Oct. 4, 1986, expedited service for obtaining certified copies of trademark registrations will be available to the public. The cost of obtaining a certified copy showing title and/or status will be \$10.00 plus \$25.00 for the expedited service for a total of \$35.00 per copy; a certified copy of the registered mark, not showing title or status, will be \$5.00 plus \$25.00 for expedited service for a total of \$30.00. Requests received in the Post-Registration Section of the Trademark Services Division, Crystal Plz. 2-4C24, before 12:00 noon on U.S. Patent and Trademark Office scheduled work days will be filled within three work days.

Requests for expedited service which are hand carried to the Post-Registration Section located in Crystal Plz. 2-4C24 will be available for pickup at the same location after 12:00 noon three work days later. Requests for expedited service which are mailed to the Patent and Trademark Office will be processed and mailed

back to the requester three work days after they are received in the Post-Registration Section from the U.S. Patent and Trademark Office mail room. All requests for expedited service will be machine stamped when received in the Post-Registration Section and machine stamped upon completion by the Post-Registration Section.

Anyone requesting expedited service will be limited to five registration numbers per day. Limits on the number of registrations being certified are needed in order to ensure that service is not disrupted for routine requests for certified copies. The guarantee of service in three work days is based on the ability of the Post-Registration Section to process up to 1,000 expedited copies out of an average of 16,000 copies processed each year.

Inquiries about the service should be addressed to:

Patricia M. Davis
Administrator for Trademark Operations
Trademark Examining Operation
Crystal Plz. 2-3C06
(703) 557-3268

Aug. 19, 1986. **MARGARET M. LAURENCE,**
Assistant Commissioner
for Trademarks.

[1070 TMOG 4]

(217) **Helpful Hints**

- **Trademark Post Registration - Failure to Specify Type of Commerce in Section 8 Affidavits or Declarations**—Section 8(a) of the Trademark Act requires that before the end of the sixth year following registration, an affidavit must be filed showing that the "mark is in use in commerce." [15 U.S.C. 1058a].

The Trademark Rules require that all Section 8(a) affidavits or declarations "state that the registered mark is in use in commerce and specify the nature of such commerce." [37 C.F.R. Section 2.162(e)].

The affidavit or declaration must be filed between the fifth and sixth year following the date of registration and it must contain a statement that the "mark is in use in commerce," with evidence thereof. There may be no extensions of time beyond the sixth year for submission of this statement and evidence of use of the mark in commerce. However, if the timely-filed affidavit or declaration does not set forth the type of commerce, the registrant will be given six months to submit that information even though the sixth year may have expired. The rules do not provide for any further extensions of time beyond the six months. (Carlisle Walters, 703-557-3061)

- **Backlogs in Trademark Renewals and Section 8 Affidavits and Declarations**—Registrants are advised that a backlog currently exists in the processing of Trademark Renewals and Section 8 affidavits and declarations. While the Patent and Trademark Office conducts a preliminary review of critical elements in order to notify registrants of statutory deficiencies prior to the expiration of the statutory period for the submission of required documents, the ultimate responsibility for complying with the requirements of the statute and the rules rests with the registrant. (Carlisle Walters, 703-557-3061)

July 1, 1988 **THERESA A. BRELSFORD,**
Assistant Commissioner
for Administration.

[1092 TMOG 11]

(218) **Section 8 Requirements
For Trademark Registrations**

Any registrant who files in the Patent and Trademark Office, on or after November 16, 1989, an affidavit or declaration under

Section 8 of the Trademark Act will be required to comply with the requirements of the Trademark Law Revision Act of 1988 [Title 1 of Pub. L. 100-667, 102 Stat. 3935 (15 U.S.C. 1051)], which takes effect on November 16, 1989. The Trademark Law Revision Act amends 15 U.S.C. 1058(a) by adding the requirement that a registrant submit an affidavit "setting forth those goods or services recited in the registration on or in connection with which the mark is in use in commerce and attaching to the affidavit a specimen or facsimile showing current use of the mark...."

For Section 8 affidavits or declarations filed on or after November 16, 1989, the Patent and Trademark Office will require registrants to specify the goods and services to which the Section 8 affidavit or declaration pertains. The registrant may comply with the requirement for specification of its goods and services by listing each of the goods and services to which the Section 8 affidavit or declaration pertains or by making an all-encompassing reference to the goods and services recited in the registration (e.g., "*The mark is in use in connection with all the goods and services recited in the registration.*" or "*The mark is in use in connection with all the goods and services recited in the registration, with the exception of ...*"). The Patent and Trademark Office prefers that the registrant use an all-encompassing reference to its goods and services as the method of specification, especially where the mark is registered for numerous goods and services.

If the registrant fails to file, before the end of the sixth year following registration, a Section 8 affidavit or declaration that sets forth goods and services in connection with which the mark is in use, the registration will be cancelled. Similarly, those goods or services recited in the registration but not specified in a Section 8 affidavit or declaration filed before the end of the sixth year following registration will be deleted from the registration. After the end of the sixth year following registration, the Patent and Trademark Office will not accept a substitute Section 8 affidavit or declaration filed to correct registrant's failure to specify, or to specify completely, the goods and services on or in connection with which the mark is in use.

A Section 8 affidavit or declaration filed on or after November 16, 1989 must include a specimen or facsimile showing current use of the registered mark. The registrant will be required to file one specimen or facsimile for each class of goods or services to which the registration pertains. For a single-class registration covering multiple goods or services, only one specimen or facsimile showing current use of the mark on one of the goods or services in that class will be required. Similarly, for a multiple-class registration, the registrant will be required to file, for each class of goods or services covered by the multiple-class registration, one specimen or facsimile showing current use of the mark on one of the goods or services in that class.

If the registrant fails to file, before the end of the sixth year following registration, an affidavit or declaration that includes a proper specimen or facsimile for each class of goods or services to which the registration pertains, the registration will be cancelled as to that class of goods or services. After the end of the sixth year following registration, the Patent and Trademark Office will not accept a substitute Section 8 affidavit or declaration filed to correct the omission of a proper specimen or facsimile.

June 15, 1989

Jeffery M. Samuels
Assistant Commissioner for Trademarks

[1104 TMOG 22]

**(219) Renewal of Trademark Registrations
(Revised)**

This supersedes the notice that appeared in the *Official Gazette* on May 2, 1989; (1102 TMOG 5):

The Trademark Law Revision Act of 1988 [Title 1 of Pub. L. 100-667, 102 Stat. 3935 (15 U.S.C. 1051)], which takes effect on November 16, 1989, amends 15 U.S.C. 1059(a) to reduce the renewal term of a registration from twenty years to ten years from the end of the expiring period of the registration.

Any registration whose expiration date is prior to November 16, 1989, shall be renewed, upon proper application, from the end of the expiring period for:

- (a) twenty years if the renewal is granted prior to November 16, 1989, or
- (b) ten years if the renewal is granted on or after November 16, 1989, regardless of the renewal application filing date.

Any registration whose expiration date is on or after November 16, 1989, shall be renewed, upon proper application, for ten years from the end of the expiring period, regardless of the renewal application filing date.

The present practice of notification of renewal will continue. However, the updated renewal certificate issued by the PTO will be modified to specifically indicate the length of the renewal period. The notice of renewal appearing in the *Trademark Official Gazette* will be modified to indicate the date of the acceptance of renewal.

August 16, 1989

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks.

[1106 TMOG 25]

**TRADEMARK INFORMATION AND
CORRESPONDENCE****(220) Powers of Attorney in Registered
Trademark Files**

On and after Feb. 1, 1967, communications advising of changes in the powers of attorney for registered trademarks will be placed in the registration files, but will not be acknowledged by the Patent Office. The information will thus be available to those who inspect the files, but since these powers of attorney do not directly concern the Patent Office, acknowledgments are not believed to be necessary.

Jan. 30, 1967.

C.M. WENDT,
Director.

[835 TMOG 95]

**(221) PATENT AND TRADEMARK OFFICE (PTO)
INFORMATION CONTACTS****TABLE OF CONTENTS**

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**Telephone Numbers Are Area Code 703
Unless Otherwise Noted**

For information and assistance, you may call the following telephone numbers, Monday through Friday, 8:30 a.m. to 5:00 p.m. (EST/EDT)

General Information

PTO's Automated INFORMATION Lines 557-INFO/4636
(Requires Touch-Tone Telephone)

Personal Help with Service Problems (Unsuccessfully
Resolved through Normal Channels)

PTO's HELP Lines 308-HELP/4357
Public Service Branch
Public Information Services Division
Center for Patent and Trademark
Information Services

PTO Employee Telephone Numbers

Employee Locator 308-4455

Special Assistance to Hearing-Impaired Persons

Telecommunication Device for the Deaf (TDD) 305-7785

**Updates to, Suggestions for, and Copies of Information
Contacts**

Ernestine McCloud 308-3924
Public Information Services Division
Center for Patent and Trademark
Information Services

Address Boxes, PTO Special

These boxes should be used *only* for their specified purposes. *Only* material for which the special boxes have been established should be enclosed.

Address mail to:
Commissioner of Patents and Trademarks
Box
Washington, D.C. 20231

<i>Box No./Name</i>	<i>Specified Purpose</i>
Box Patent Application	New patent applications and associated papers and fees.
Box Trademark Application	New trademark applications and associated papers and fees.
Box 4	Mail for the Assistant Commissioner for External Affairs and the Office of Legislation and International Affairs.
Box 5	"No fee" mail related to trademarks.
Box 7	Reissue applications for patents involved in litigation and subsequently filed related papers.
Box 8	All mail for the Office of the Solicitor, <i>except</i> communications relating to <i>pending litigation</i> . Mail relating to pending litigation must be addressed to Office of the Solicitor, P.O. Box 15667, Arlington, Va. 22215.
Box 9	Coupon orders for U.S. patent and trademark copies.
Box 10	Orders for certified copies of PTO documents except trademark registrations and assignments.
Box 11	Electronic Ordering Service (EOS).
Box 12	Contributions to the Examiner Education Program.
Box 15	Mail for the Advisory Commission on Patent Law Reform.
Box 16	Mail for the Office of Finance from deposit account holders who wish to deposit replenishment checks to their PTO accounts.
Box AF	Expedited procedure for processing amendments and other responses after final rejection.
Box Assignment	All assignment documents <i>except</i> those filed with new applications.
Box DAC	Petitions to revive, petitions to accept late payment of fees, petitions to defer issue, and petitions to withdraw an application from issue.
Box DD	Disclosure Documents or materials related to the Disclosure Document Program
Box FWC	Requests for File Wrapper Continuation Applications (under 37 CFR 1.62).
Box Interference	Communications relating to interferences and applications and patents involved in interference.
Box Issue Fee	All communications following the receipt of a PTOL-85, "Notice of Allowance and Issue Fee Due," and prior to the issuance of a patent should be addressed to Box Issue Fee, unless advised to the contrary. Rule 312 amendments should be mailed to Box Issue Fee also. Assignments must be submitted in a separate envelope and not sent to Box Issue Fee.
Box ITU	All intent-to-use documents except initial applications and amendments to allege use.
Box M Fee	Correspondence related to a patent that is subject to the payment of a maintenance fee.
Box Non-Fee Amendment	Non-fee amendments to patent applications. (Use Box AF for responses after final rejection.)
Box OED	Mail for the Office of Enrollment and Discipline.
Box Pat. Ext.	Applications for patent term extension.
Box PCT	Mail related to applications filed under the Patent Cooperation Treaty (PCT).
Box Reconstruction	Correspondence pertaining to the reconstruction of lost patent files.
Box Reexam	Requests for Reexamination for <i>original</i> request papers <i>only</i> .
Box Sequence	Submission of diskette for biotechnical applications.
Box SN	For fees and petitions under 37 CFR 1.182 to obtain dates received and/or serial numbers for patent applications <i>prior</i> to PTO's standard notifications (return post card or the official "Filing Receipt," "Notice to File Missing Parts," or "Notice of Incomplete Application").

Assignment Search Information

Patent	308-2768
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Automated Search Systems Training for Public

Public User Training Branch	308-3924
Patent Search Room	308-0595
Trademark Search Library	308-9800

Cashier's Windows (Office of Finance)

Patent Search Room	308-0649
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Copier Machine Access System Cards

Cashier's Office (Patent Search Room)	308-0649
Encoder's Office (Patent Search Room)	308-0077
Cashier's Office (Trademark Search Library)	308-9810
Encoder's Office (Trademark Search Library)	308-9809

Coupon Orders (Patent and

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Deposit Accounts

Balance Inquiry (Requires Touch-Tone Telephone)	305-8735/8746
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Address Only Deposit Account Remittances to:

Patent and Trademark Office
P.O. Box 70541
Chicago, Ill. 60673

OR

Commissioner of Patents and Trademarks
Box 16
Washington, D.C. 20231

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Forms, Patent and Trademark

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through normal channels)	308-HELP/4357
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Information, General

PTO's Automated INFORMATION Lines	557-INFO/4636
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(Requires Touch-Tone Telephone)

Journal of the Patent and Trademark Office Society (JPTOS)

Address questions and correspondence to:

JPTOS
Box 2600
Arlington, Va. 22202

Library, PTO

(See Scientific and Technical Information Center)

Official Gazette (Government Printing Office)

Distribution and/or Subscription Problems (202) 512-2303

Official Gazette, Notices

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Patents Available for Licensing or Sale	308-0402

Patent and Trademark Depository Library Program

(PTDLP)

For a list of PTDLPs and contact information, see
Official Gazette issues (Notices section).

Procurement

Telecommunications Device for the Deaf (TDD).....

Project XL

Telecommunications Device for the Deaf (TDD)

Public Affairs

Address mail to:

Commissioner of Patents and Trademarks
Box 4
Washington, D.C. 20231

Public Search Facilities

Patents	308-0595
(Hours: Weekdays, 8:00 a.m. to 8:00 p.m., EST/EDT)	
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(Hours: Weekdays, 8:00 a.m. to 5:30 p.m., EST/EDT)	

Public Service Branch, Public Information Services Division

For help with service problems unsuccessfully resolved through normal channels 308-HELP/4357

For general information on how to file for a patent or trademark:

PTO's Automated Information Lines 557-INFO/4636
(Requires Touch-Tone Telephone)
Patents (Message 11)
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Telecommunications Device for the Deaf (TDD)

Public Service Windows

Patent Search Room	308-1057
Trademark Search Library	308-9811

Publications, General Information

Reasonable Accommodation for the Disabled, Requests for

Scientific and Technical Information Center 308-0810**Solicitor** 305-9035

Address all mail for the Office of the Solicitor, EXCEPT communications relating to PENDING LITIGATION, to:

Commissioner of Patents and Trademarks
Box 8
Washington, D.C. 20231

Address all mail relating to PENDING LITIGATION to:

Office of the Solicitor
P.O. Box 15667
Arlington, Va. 22215

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Address Amendments after Final Rejection to:

Commissioner of Patents and Trademarks
Box AF
Washington, D.C. 20231

Address Rule 312 Amendments to:

Commissioner of Patents and Trademarks
Box Issue Fee
Washington, D.C. 20231

Address Non-Fee Amendments (except after final rejection) to:

Commissioner of Patents and Trademarks
Box Non-Fee Amendment
Washington, D.C. 20231

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Address new patent applications to:

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Box Patent Application
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(See Public Service Window)

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Box Interference
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(MPEP)	305-9384
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(202) 783-3238

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Commissioner of Patents and Trademarks
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Washington, DC 20231

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Box 10
Washington, DC 20231

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Mail

Address "Intent-to-Use" documents, except initial
applications and amendments to allege use, to:

Commissioner of Patents and Trademarks
Box ITU
Washington, DC 20231

Address "Non-Fee" trademark mail to:

Commissioner of Patents and Trademarks
Box 5
Washington, DC 20231

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[1140 TMOG 80]

(222) Initial Processing of Application

On Feb. 1, 1972, the operations of the Trademark Application Section of the Patent Office will be reorganized. The purpose of the reorganization is to provide the public and applicants with more current information concerning newly filed applications.

The prompt initial processing of trademark applications is necessary in order to fulfill one of the main Patent Office functions, that of producing a record, accessible to the public, of new trademark activity to facilitate the clearance of new marks for use, determine the registrability of proposed marks, and avoid conflicts with the rights of others. In order to maintain a record of marks applied for which reflects the most current

information available to the Office concerning them, the early processing of drawings in order to have them placed in the search room is considered as a first priority. The processing of these drawings includes the assignment of serial numbers, initial classification, duplication of the drawing and the forwarding of copies of the drawing to the search room. Other functions which are necessary in the processing of applications, such as the processing and mailing of filing receipts, are secondary to the processing of drawings.

In past years, there have been delays in processing applications and forwarding application drawings to the search room. These delays have varied from several weeks to several months. In view of the importance, both to applicants and the public, of recording essential information concerning newly filed applications as quickly as possible, a reorganization of the workflow in the Application Section is being effected.

There is no change in the processing of applications through the mail room and finance branch to the Application Section. However, under the new plan, upon receipt in the Trademark Application Section, all applications will be stamped with a serial number, and the drawing of the mark will be reproduced immediately and placed in the search file. This processing will occur as soon as the application files reach the Application Section. Such procedures as determining whether or not an application will receive a filing date, preparation of the file jackets, and mailing of the filing receipt will take place at a later time.

Applicants who wish to be notified promptly of the date their papers were received in the office and their serial number, may send two self-addressed postcards with their application papers. The mail room will stamp both postcards with the date of receipt and return one to the applicant; the second postcard will be stamped with the serial number and forwarded to the applicant from the Application Section. The postcards should contain the applicant's name and the trademark which is the subject of the application. When more than one set of application papers are forwarded under one cover, postcards should be attached to each set of papers for which a receipt is desired.

Under the new system of processing application papers, your particular attention is directed to the following changes as compared to the present procedure.

1. Application drawings will be placed in the public search file prior to the mailing of the filing receipt.

2. By using the postcard system described above, applicants will be notified sooner of the date of receipt of their papers and the serial number of their application. Applicants are encouraged to use the postcard system.

3. Additional papers sent in by the applicant or attorney should be identified by serial number, thereby enabling the office to process these papers quickly.

4. When an application is accompanied by a petition to the Commissioner under § 2.146, the petition will not be considered until processing by the Application Section is complete.

Effective date. The procedure outlined in this notice will become effective Feb. 1, 1972.

Jan. 11, 1972. RICHARD A. WAHL,
Acting Commissioner of Patents.

JAMES H. WAKELIN, JR.,
Assistant Secretary for
Science and Technology.

Published in 37 F.R. 942; Jan. 21, 1972

[895 O.G. TM 193]

(223) Dissemination Of Trademark Information

In order to clarify the policy regarding Trademark Examiners giving out Trademark information to the general public, the following directive has been promulgated:

Trademark Examiners are reminded that they may only be responsive to questions regarding applications pending before them. All other questions regarding Trademark matters must be directed to the Director of the Trademark Examining Operation, 703-557-3268.

BERNARD A. MEANY,
Assistant Commissioner
for Trademarks.

Feb. 15, 1978.

[968 TMOG 9]

(224) **Responsibility to Diligently Monitor
Trademark Applications and Registrations**

The purpose of this notice is to remind trademark applicants and registrants of their responsibility to monitor the status of their application or registration in cases where a notice or action from the PTO is expected; and to apprise these parties that the *Trademark Manual of Examining Procedure*, (TMEP), will be revised to indicate that inquiries regarding the status of pending matters should be made within six months of the filing or receipt of any document for which further action by the Office is expected.

The TMEP is under revision in its entirety. As a part of that revision, Section 411, entitled "Status Inquiries," will be amended. The current language of §411 indicates that a party awaiting action by the Office should file a status inquiry within eighteen months from the filing date of the application, or from the filing of a response to an Office action. This eighteen-month period was based on Office pendency in 1971, which was approximately fourteen months to mailing of the first Office action. Currently, the Office is mailing first actions within three months. Accordingly, the eighteen month period is no longer appropriate and is being reduced to six months to more realistically reflect Office pendency. Adoption of a six-month due diligence standard may have implications with respect to filing petitions and requests for other relief.

The Office of the Assistant Commissioner for Trademarks receives a number of requests to reactivate applications and registrations occasioned by the loss of papers mailed to or from the PTO. In many of these cases, the applicant or registrant may have proof that papers mailed to the PTO were actually received, or can aver that notices sent from the PTO were never received. However, in some of these cases the request will be denied because the party seeking relief has waited too long before investigating the problem. The rationale for denial is that third parties may have relied to their detriment on the information available in the PTO files and databases that an application was abandoned or that a registration has been cancelled or expired.

The PTO generally processes applications, responses and other papers in the order in which they are received in the Office. Accordingly, applicants and registrations can expect to receive notice concerning these filings within predictable time periods. For example, a party filing an application for registration should expect to receive a filing receipt within four to six weeks and, in most cases, a "first action" within four to five months of the date of filing. Similarly, a registrant should expect to receive a notice of acceptance or rejection of a Section 8 affidavit of use or excusable nonuse within four to five months of submission, and a notice of acceptance or rejection of a renewal application within two to three months of submission. Only in rare cases would any of these time periods be longer than six months.

Since it is reasonable to expect some notice from the PTO about a pending matter within six months of the filing or receipt of any document, a party who has not received the expected written action or telephone call from the PTO within that time frame should be put on notice that the filing may have become lost. The party awaiting notification has the burden of inquiring as to the cause of the delay. **In order to be considered diligent in the monitoring of its application or registration, the party expecting notification from the PTO should inquire within six months.** Waiting until the end of the six-month period is not recommended. Parties should inquire as soon as they suspect that a problem exists.

Written status inquiries are discouraged. Whenever possible, status inquiries should be made by calling the Trademark Status Line, at (703) 305-8747 through 8752. The Status Line provides the current status and status date of all active federal applications and registrations, and is available from 6:30 a.m. until midnight, Eastern Time, Monday through Friday.

Examples of Situations Requiring Diligent Action

Applicant/registrant files an application, Section 8 affidavit, or Section 9 renewal application, accompanied by an acknowledgment postcard:

(a) No acknowledgement postcard, filing receipt or other acknowledgment is received within a reasonable time.

Diligent Action: Inquire within six months of mailing of the document to PTO.

(b) Acknowledgement post card received but no filing receipt or other acknowledgment is received within a reasonable time.

Diligent Action: Inquire within six months of receipt of the acknowledgement postcard.

(c) A filing receipt for the application is received but no Office action, telephone call from the examining attorney, or notice of publication is received within a reasonable time.

Diligent Action: Inquire within six months of receipt of the filing receipt.

(d) A response to an Office action is mailed to the PTO but no further Office action, telephone call, notice of publication, or other acknowledgment is received within a reasonable time.

Diligent Action: Inquire within six months of mailing of the response.

(e) A notice of publication is received for an application under Section 1(b), 15 U.S.C. § 1051(b) but no Notice of Allowance or notification of potential opposition is received within a reasonable time.

Diligent Action: Inquire within a six months of receipt of the notice of publication.

In the event that the party discovers that its application or registration is no longer active, or that a required paper has not been received by the PTO, the applicant or registrant should promptly file a petition to the Commissioner or take other appropriate action to rectify the situation. The time limits for filing petitions are strictly applied. A certificate of mailing in accordance with Trademark Rules 1.8 or 1.10, 37 C.F.R. §§ 1.8 or 1.10, is recommended.

To summarize, applicants and registrants have a duty to monitor the status of their applications and registrations. If nothing has been heard from the PTO within a six month period, the party awaiting notification has the burden of inquiring as to the status. Status inquiries should be made via the Trademark Status Line. Should the status inquiry reveal that the relevant document is lost, or some other problem exists, a petition to the Commissioner or other required action should be filed within 60 days. Trademark Rule 2.146(d), 37 C.F.R. § 2.146(d). Failure to act diligently and follow up with the appropriate action may result in denial of the requested relief.

Oct. 2, 1992

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

1143 TMOG 73]

(225) **Availability of Trademark Status Line**

Beginning on Feb. 20, 1990, the U.S. Patent and Trademark Office provided access, via push button telephone, to current status and status date information for all federal trademark application and registration records maintained in the automated Trademark Reporting and Monitoring (TRAM) System. The Trademark Status Line will be available on (703)557-8747 from 6:30 a.m. until midnight, Eastern Time, Monday through Friday.

The Trademark Status Line may be used from any push button telephone by entering a seven-digit registration number and the "#" symbol or an eight-digit serial number and the "#" symbol after the welcoming message and the tone. All calls will be answered in the order received. Callers may request information for up to five serial number or registration number records per call.

When requesting information for registration numbers under one million, add sufficient leading zeros to the registration number so that a total of seven digits are entered. For example, to get status information for Reg. No. 88,725 enter 0088725#.

When requesting information for applications, enter an eight-digit serial number that consists of the two-digit series code

followed by the six-digit serial number PTO. The series code is determined by the filing date of the application. All applications filed before Mar. 31, 1905 are series code 70. Applications filed between Apr. 1, 1905 and Dec. 31, 1955 are series code 71. Applications filed between Jan. 1, 1956 and Aug. 31, 1973 are series code 72. Applications filed between Sept. 1, 1973 and Nov. 15, 1989 are series code 73. All applications filed on or after November 16, 1989 are series code 74.

When requesting information for serial numbers under 100,000 in any series code, add sufficient leading zeros to the serial number so that a total of six digits are entered after the series code. For example, to get status information for serial number 92,132 in series code 73, enter 73092132#.

The TRAM System contains records for all active federal trademark registration and pending applications. The TRAM System also contains records for all federal trademark registrations and applications which became inactive after Mar. 31, 1982. Some earlier inactive records are also available.

The Trademark Status Line will provide current status information for all federal trademark application and registration records included in the TRAM System. The date that the record entered the current status is provided also. If additional information regarding the status of a trademark application or registration is required, call the Trademark Services division at (703)557-5249 and request a status check.

Feb. 8, 1990

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

[1112 TMOG 49]

(226)

New Telephone Numbers for the Trademark Status Line

On November 18, 1991, the local telephone company in Arlington, Va. will change many of the telephone numbers used by the U.S. Patent and Trademark Office, including the numbers for the Trademark Status Line. Effective on that date, the new telephone numbers for the Trademark Status Line will be (703) 305-8747 through (703) 305-8752.

The Trademark Status Line provides access, via touch tone telephone, to current status and status date information for all federal trademark application and registration records maintained in the automated Trademark Reporting and Monitoring (TRAM) System. The Trademark Status Line is available from 6:30 a.m. until midnight, Eastern Time, Monday through Friday.

The Trademark Status Line may be used from any touch tone telephone by entering a seven-digit registration number and the “#” symbol or an eight-digit serial number and the “#” symbol after the welcoming message and the tone. All calls will be answered in the order received. Callers may request information for up to five serial number or registration number records per call. If additional information regarding the status of a trademark application or registration is required, call the Office of Trademark Services at (703) 308-9400 and request a status check.

Oct. 23, 1991

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

[1132 OG 33]

(227) TRADEMARK STATUS INFORMATION AVAILABLE ON THE TRADEMARK STATUS LINE

The Trademark Status Line (703) 557-8747 provides status and status date information for all Trademark applications and registrations to users with touch tone telephones. The Trademark Status Line is available from 6:30 A.M. to midnight (Eastern Standard Time), Monday through Friday.

The following is a listing of the status text provided by the Trademark Status Line for each corresponding status code in the TRAM system and the usual location of the file when it is in each status. All information in parenthesis is explanatory and is not part of the status text. All status codes followed by a “*” are within the blackout period for filing Amendments to Allege Use in Intent to Use applications. All status codes followed by a “^” apply to Intent to Use applications only.

Status Code	Status Text	Usual File Location
600	Abandoned-Incomplete Response	Warehouse
601	Abandoned-Express	Warehouse
602	Abandoned-Failure to Respond	Warehouse
603	Abandoned-After ex parte Appeal	Warehouse
604	Abandoned-After inter partes decision	Warehouse
605	Abandoned-After Publication	Warehouse
606^	Abandoned-No Statement of Use filed	Warehouse
607^	Abandoned-Defective Statement of use	Warehouse
608	Abandoned-After Petition Decision	Warehouse
609	Abandoned-Defective Divided Application	Warehouse
612	Petition to Revive-received	TMEQ Dir
614	Abandoned-Petition to revive denied	Warehouse
616	Revived-Awaiting Further Action	Law Office
618	Abandoned File-Backfile (Indicates the application existed when the TRAM database was created and it is abandoned but the reason for the abandonment is unknown.)	Warehouse
620	Backfile application added to database -Status not recorded. (Indicates the application existed when the TRAM database was created and the status is unknown at this time.)	
622	Misassigned Serial Number (Indicates that the subject serial number was assigned in error and cancelled. File contents were returned to submitter or transferred to another serial number.)	File Cover Destroyed

624	Registered-Backfile (Indicates the registration existed when the TRAM database was created and remains registered at this time.)	Warehouse
625	Registration added to the data base-Status unclear (Indicates the registration status is unknown at this time.)	
626	Registered-Backfile cancelled or expired (Indicates the registration is no longer active but the reason for this is unknown.)	Warehouse
630	New Application-Record initialized not assigned to examiner	Law Office
631	New Application-Divided-Initial processing (Indicates a divisional request has been received and is being processed.)	ITU Unit
632	Informal Application (Indicates that the application filed was incomplete.)	Pre-Exam
638	New Application-Assigned to an examiner	Law Office
640	Non-final action counted-Not mailed	Law Office
641	Non-final action-Mailed	Law Office
643	Previous action/approval count withdrawn (Indicates the Examiner has withdrawn an Office Action or approval.)	Law Office
644	Final refusal counted-Not mailed	Law Office
645	Final refusal-Mailed	Law Office
646	Examiner's amendment counted-Not mailed	Law Office
647	Examiner's amendment-Mailed	Law Office
648	Action continuing Final counted-Not mailed	Law Office
649	Action continuing Final-Mailed	Law Office
650	Suspension inquiry counted-Not mailed	Law Office
651	Suspension inquiry-Mailed	Law Office
652	Suspension letter counted-Not mailed	Law Office
653	Suspension letter-Mailed	Law Office
654	Report completed suspension check-Case still suspended	Law Office
661	Response after non-Final action-Entered	Law Office
663	Response after Final rejection-Entered	Law Office
665	Notice of unresponsive amendment-Counted	Law Office
666	Notice of unresponsive amendment-Mailed	Law Office
667	Refusal withdrawal letter-Counted (Refers to an Office Action which withdraws a refusal after an ex parte appeal has been filed.)	Law Office
668	Refusal withdrawal letter-Mailed (Refers to an Office Action which withdraws a refusal after an ex parte appeal has been filed.)	Law Office
672	Reinstated-Awaiting further action (Refers to an application which was reinstated after an abandonment due to PTO error.)	Law Office
680*	Approved for publication (By the examiner)	Law Office
681*	Publication/Registration review complete (By the Law Office Clerk)	Pub. and Issue
686*	Published for Opposition	Pub. and Issue
688^	Notice of Allowance-Issued	ITU Unit
689**	Notice of Allowance-Withdrawn	Pub. and Issue
690**^	Notice of Allowance-Cancelled	Pub. and Issue
692*	Withdrawn from publication	
693*	Withdrawn from registration-Jurisdiction restored (To Examiner)	Law Office
694*	Withdrawn from registraion	
700	Registered	Warehouse

701	Section 8- Accepted	Post Reg.
702	Section 8 and 15- accepted and acknowledged	Post. Reg.
703	Section 15- acknowledged	Post Reg.
704	Partial Section 8 accepted	Post Reg.
705	Partial Section 8 and 15 accepted and acknowledged	Post Reg.
710	Cancelled-Section 8	Warehouse
711	Cancelled-Section 7(d)	Warehouse
712	Cancelled by court Order under Section 37	Warehouse
713	Cancelled-Section 18	Warehouse
714	Cancelled-Section 24	Warehouse
715	Cancelled-Restored to Pendency (Indicates the subject registration number was assigned in error and correction requires restoration of the appliaction to pendency)	Law Office
716	Inadvertently issued registration number-Cancelled (Indicates the subject registraion number was assigned in error and has been cancelled.)	Law Office
718^	Request for first extension-Filed	ITU Unit
719^	Request for second extension-Filed	ITU Unit
720^	Request for third extension-Filed	ITU Unit
721^	Request for fourth extension-Filed	ITU Unit
722^	Request for fifth extension-Filed	ITU Unit
724^	Extension request refusal-Counted not mailed	ITU Unit
725^	Extension request refusal-Mailed	ITU Unit
730^	First Extension-Granted	ITU Unit
731^	Second Extension-Granted	ITU Unit
732^	Third Extension-Granted	ITU Unit
733^	Fourth Extension-Granted	ITU Unit
734^	Fifth Extension-Granted	ITU Unit
740	Post registration paper filed- Assigned to paralegal	Post Reg.
744^	Statement of Use-Filed	ITU Unit
745^	Statement of Use-Informal -Letter mailed	ITU Unit
746^	Statement of Use-Informal -Response entered	ITU Unit
747^	Statement of Use-ITU processing complete (Indicates pre-exam processing of the Statement of Use at the ITU Unit is complete.)	Law Office
748^	Statement of Use-To examiner (For Examination)	Law Office
752^	Statement of Use-Examiner statement counted-Not mailed	Law Office
753^	Statement of Use-Examiner Statement-Mailed	Law Office
756	Examiner statement counted-Not mailed	Law Office
757	Examiner statement-Mailed	Law Office
760	Ex parte appeal pending	TTAB
762	Ex parte appeal-Refusal reversed	TTAB
763	Ex parte appeal-Refusal affirmed	TTAB
764	Ex parte appeal dismissed as moot	TTAB
765*	Concurrant use proceeding terminated-Granted	TTAB
766*	Concurrant use proceeding terminated-Denied	TTAB
771*	Concurrent use proceeding pending	TTAB
772*	Interference proceeding pending	TTAB
773*	Interference proceeding terminated	TTAB
774*	Opposition pending	TTAB
775*	Opposition dismissed	TTAB
777*	Opposition terminated-See TTAB records	TTAB
778	Cancellation dismissed	TTAB
779*	Opposition sustained	TTAB
780	Cancellation terminated-See TTAB records	TTAB
782^	Statement of Use-Opposition Decided -Entry of Judgement Deferred	TTAB
783^	Statement of Use-Cancellation	TTAB

784^	Decided-Entry of Judgement Deferred Statement of Use-Interference Decided-Entry of judgement deferred	TTAB
785^	Statement of Use-Concurrent Use Decided-Entry of Judgement Deferred	TTAB
790	Cancellation Pending	TTAB
794	Jurisdiction restored to examiner	Law Office
800	Renewed	Post Reg.
801*	Opposition instituted	TTAB
802*	Request for extension of time to file opposition	TTAB
803*	Amendment after publication	TM Service Division
806^	Statement of Use-Non-final action counted-Not mailed	Law Office
807^	Statement of Use-Non-final action -Mailed	Law Office
808^	Statement of Use-Final refusal counted-Not mailed	Law Office
809^	Statement of Use-Final refusal -Mailed	Law Office
810^	Statement of Use-Examiner's amendment counted-Not mailed	Law Office
811^	Statement of Use-Examiner's amendment-Mailed	Law Office
812^	Statement of Use-Action continuing final counted-Not mailed	Law Office
813^	Statement of Use-Action continuing final-Mailed	Law Office
814^	Statement of Use-Response after non-final action-Entered	Law Office
815^	Statement of Use-Response after final rejection-Entered	Law Office
816^	Statement of Use-Notice of unresponsive amendment-Counted -Not mailed	Law Office
817^	Statement of Use-Notice of unresponsive amendment-Mailed	Law Office
818^	Statement of Use accepted-Approved for Registration	Law Office
819^	(By the Examiner) Statement of Use-Registration review complete	Pub. and Issue
900	(By the Law Office Clerk) Expired (Refers to registration that were not renewed.)	Warehouse

December 3, 1990

JEFFREY M. SAMUELS
Assistant Commissioner for Trademarks

[1122 TMOG 568]

(228) **TRAM Status Codes Indicating
Blackout Period" in Effect
for "Intent-to-Use"
Trademark Applications**

Trademark Rule 2.76, 37 CFR 2.76, provides that an applicant pursuing registration of its mark under the "intent to use" provisions of the Trademark Act (i.e., an application filed under Trademark Act Section 1(b), 15 U.S.C. §1051(b)) may amend the application "to allege use of the mark in commerce under section 1(c) of the Act at any time between the filing of the application and the date the examiner approves the mark for publication or the date of expiration of the six-month response period after issuance of a final action." (emphasis added). If an amendment alleging use of a mark that is the subject of an intent to use application is filed outside the time period specified in Rule 2.76, it will be returned to the applicant or its attorney.

In addition, under Trademark Rule 2.88, 37 CFR 2.88, an intent to use applicant may not file a statement of use prior to the issuance of the notice of allowance. If a statement of use is filed before the notice of allowance issues, it will not be considered and will be returned to the applicant or its attorney.

These two rules combine to create a period of time, during the prosecution of an intent to use application, when neither an

amendment to allege use nor a statement of use can be filed. This period has become popularly known as the "blackout period." In a number of instances, amendments to allege use have been filed for intent to use applications which have "entered" the blackout period. This notice is intended to (1) assist applicants and their attorneys who need to determine whether a pending intent to use application has entered the blackout period and (2) provide guidance as to the filing of amendments to allege use so that they will be considered timely filed prior to the onset of the blackout period.

Preventing the Onset of the Blackout Period

In general, an intent to use applicant that has "control" over the further prosecution of its application file runs little risk that the file will enter the blackout period without the applicant's knowledge. For example, if the Examining Attorney has issued a non-final typed Office action or a non-final Priority action, the applicant is required to file a response to prevent abandonment of the application. In these cases, the applicant has "control" over the further processing of the application by virtue of the fact that the examiner will not resume processing until the requisite response is filed. It follows, then, that the examiner will not "approve the mark for publication," thus commencing the black-

out period, when a response to an Office action or Priority action is outstanding. Though this is only a general rule, exceptions are unlikely to occur.

Checking the Status of an Application

To guard against exceptions to the above general rule, or to check the "status" of an application in which the applicant does not have "control" over prosecution, a call to the Trademark Status Line should be made. This automated service can be accessed by callers using touch tone telephones to obtain status and status date information regarding trademark applications and registrations. The number for the Trademark Status Line is (703) 557-8747; the line can be accessed from 6:30 A.M. to midnight (Eastern Standard Time), Monday through Friday.

An intent to use applicant checking on the status of its application through the status line must enter its eight digit serial number and the "#" sign, after the welcoming message and tone. The eight digit serial number of an application consists of a two digit series code and a six digit number; if the number following the series code for a particular application is less than six digits, a sufficient number of leading zeros must be added to the number so that a total of six digits are entered after the series code.

If, after a serial number is entered, the status of the corresponding application is revealed to be any of the following, than the blackout period is in effect because the mark has been approved for publication and a notice of allowance has not yet issued:

Status Code	Status Line Report
680	Approved for Publication (by the examiner)
681	Publication/Registration review complete (by the Law Office clerk)
686	Published for Opposition
689	Notice of Allowance—Withdrawn
690	Notice of Allowance— Cancelled
692	Withdrawn from publication
693	Withdrawn from registration—Jurisdiction re- stored (to examiner)
694	Withdrawn from registra- tion
715	Cancelled—Restored to Pen- dency (Indicates subject regis- tration number was assigned in error and correction requires restoration of the application to pendency)
716	Inadvertantly issued registra- tion number—Cancelled (Indicates the subject re- gistration number was as- signed in error and has been cancelled)
765	Concurrent use proceeding terminated—granted
766	Concurrent use proceeding terminated—denied
771	Concurrent use proceeding pending
772	Interference proceeding pending
773	Interference proceeding terminated
774	Opposition pending
775	Opposition dismissed
777	Opposition dismissed—See TTAB records
779	Opposition sustained
801	Opposition instituted
802	Request for extension of time to file opposition
803	Amendment after publication

The reports provided by the Trademark Status Line will not refer to the listed numerical status codes; these codes are only displayed on visual display terminals of the Trademark Reporting and Monitoring (TRAM) System used within the PTO. Certain status reports listed above, e.g., those corresponding to status codes 693 and 715, may appear to suggest that an application is not actually in the blackout period. This is not necessarily so; in some cases, a mark may be withdrawn from registration or publication without "undoing" the examiner's approval of the mark for publication.

Beating the Onset of the Blackout Period

If an intent to use applicant calls the Trademark Status Line about a particular application and the reported status is one of those listed above, then the amendment to allege use should not be filed since the blackout period has begun. On the other hand, if the call to the Trademark Status Line does not reveal the onset of the blackout period, then the amendment to allege use may be filed.

Of course, it is always possible that the mark could be approved for publication on the same day, but shortly after, the applicant has checked the Trademark Status Line. The status of an application, as listed in the TRAM System, is updated immediately when an examiner records an action in regard to the application. Thus, in theory, it might appear that an intent to use application could enter the blackout period within hours after the applicant has checked out the status line. However, Office policy holds that *the blackout period does not begin until the day after a mark is approved for publication*. Therefore, the intent to use applicant that wishes to file an amendment to allege use can always "beat the onset" of the blackout period if (1) a call to the Trademark Status Line reveals that the application has not entered the blackout period, and (2) the amendment to allege use is filed the same day by U.S. Postal Service Express Mail in accordance with PTO Rule 1.10, 37 CFR 1.10. Even if the examiner approves the applicant's mark for publication the same day that the amendment to allege use is mailed in accordance with Rule 1.10, the amendment will be deemed timely filed prior to the onset of the blackout period.

June 24, 1991

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1128 OG 56]

(229)

Transmittals for Use of Deposit Accounts

When statutory fees are to be charged to a deposit account, the processing of the application can be facilitated by submitting the applicant's transmittal letter or other correspondence specifying the account to be charged in triplicate. Submission of these documents in triplicate will eliminate the need for the Mail Room to photocopy the document and thereby reduce the processing time of incoming mail.

Nov. 21, 1983.

THERESA A. BRELSFORD,
Assistant Commissioner
for Administration.

[1037 TMOG 15]

(230) Availability of Deposit Account Status Line

Beginning on February 20, 1990, the U.S. Patent and Trademark Office will provide access, via push button telephone, to the current account balance information, and last deposit for the current month, if any. The Deposit Account status line will be available on (703)557-8735 or (703)557-8746 from 6:30 A.M. until midnight, Eastern time, Monday thru Friday.

The Deposit Account status line may be used from any push button telephone by entering your six digit account number and the pound sign after being told to do so by the greeting message

that you receive whenever you dial in. All six digits and the pound sign must be entered.

Questions that may arise pertaining to the information received thru use of the status line must be referred to the Deposits Account Division at (703) 557-3227 during the hours 8 A.M. until 5 P.M. Eastern time, Monday thru Friday, except for Federal holidays.

Feb. 5, 1990

BRADFORD HUTHER
Assistant Commissioner
for Finance and Planning

[1112 TMOG 49]

(231) Telephone Changes for Deposit Account Status Line

Effective Nov. 18, 1991, new telephone exchange numbers will be made for the Deposit Account Status Line. On that date, Deposit Account Balance information can be obtained by calling (703) 305-8735 or (703) 305-8746 from 6:30 a.m. until midnight, Eastern time, Monday thru Friday, except for Federal holidays.

Questions that may arise pertaining to the information received through use of the status line may be referred to the Deposit Account Division at (703) 308-0902. Calls will be received on the answering machine 24 hours a day, seven days a week.

Oct. 31, 1991

BRADFORD HUTHER
Assistant Commissioner for
Finance and Planning

[1132 OG 48]

(232) Helpful Hints From The PTO

- **Data To Be Included on Patent and Trademark Papers Filed In The PTO In Response To Office Actions**—Perhaps the greatest cause of delay and wasted time in the support sections of the PTO is in trying to match papers bearing incorrect or incomplete data with applications. Because some Trademark Papers are not clearly identified as pertaining to Trademark applications, they are frequently misrouted to the Patent Examining Groups.

On all papers related to *Patent* applications, type the word "PATENT" in the upper right-hand corner of the document. Also, please include the correct serial number, filing date, inventor's name, and title of the invention. Additionally, include the examiner's name, and group art unit number or other identifying data found on the most recent letter from the PTO. (37 CFR 1.1(a)).

However, please note that an organizational restructuring of the Patent Examining Corps has resulted in many applications being reassigned to new Groups and Art Units. Your attention is directed to the NOTICE OF CHANGES IN THE PATENT EXAMINING CORPS that appeared in the OFFICIAL GAZETTE on June 26, 1984, (1043 OG 23), which identifies the Group Art Unit of each examiner (1043 OG 40 through 1043 OG 67). Letters mailed from the Groups after Apr. 15, 1984, should reflect the current identifying data.

For all papers related to *Trademark* {ro applications, type the word "TRADEMARK" in the upper right-hand corner of the document. Also, please set forth the applicant's name, correct serial number (including the series number which currently is "73"), filing date, law office, examining attorney and mark.

Documents for which no fee is required at the time of filing (e.g., amendments to applications and requests for extensions of time to file an opposition) continue to be addressed:

Box 5
Commissioner of Patents and Trademarks
Washington, D.C. 20231

Mail directed to the Trademark Trial and Appeal Board should have mark "Attention: TTAB" on the envelope in addition to "Box 5."

- **Mailing Responses To The PTO**—In general, it would eliminate or greatly reduce processing steps by the PTO support staff, and will avoid interruption of the examiner's work, if a few simple, general rules were followed in regard to mailing of the responses to the PTO:

1. After a Patent or Trademark application is filed, please avoid filing additional papers (other than those requesting a filing receipt or those required by the Office) until the filing receipt or return post card identifying the Serial Number and Patent Examining Group Art Unit or Trademark Law Office has been received.
2. In *Patent* applications, requests for extensions of time, changes of address, proposed drawing corrections, and petitions are sometimes incorporated in the remarks section or at the beginning of papers entitled "Amendment" or "Response." In *Trademark* applications, change of address and powers of attorney are sometimes incorporated in the remarks section or at the beginning of papers entitled "Amendment" or "Response." Please present such items in separate papers, appropriately titled, since they are all handled by different personnel (37 CFR 1.4(c)). However, please include a statement in the amendment/response describing the paper being filed.
3. Where a supplemental or preliminary amendment is found necessary in *Patent* or *Trademark* applications, please telephone the examiner and request that the examiner delay action for a certain time in order to avoid crossing in the mails of the amendment and the Office action.
4. File *Patent* and *Trademark* documents which have no particular time or sequence requirement, with materials submitted in response to the statutory or regulatory requirements. Examples are certified copies of foreign documents to support priority and formal drawings in *Patent* applications or changes in Power of Attorney or Mailing Address following first action.
5. If a disclosure statement is to be filed before an Office action, file it when the application is filed. Some Group Art Units have greatly reduced the pendency to first action. Hence, many examiners are taking up new applications before an information statement is matched with the application.

July 10, 1984.

THERESA A. BRELSFORD,
Assistant Commissioner
for Administration.

[1044 TMOG 44]

(233) Published Trademark Applications

Papers which are filed in the Patent and Trademark Office in connection with published trademark application files should be captioned to the attention of the Trademark Quality Review Clerk and addressed as follows:

Commissioner of Patents and Trademarks
Attention Box 5, Trademark Quality Review Clerk
Washington, D.C. 20231

This mailing should be used only for papers filed after publication but before issuance of the registration. This could include corrections to information which appears to have been inadvertently or incorrectly published in the Trademark Official Gazette, as well as changes of attorney or address papers or notification of filing an assignment. Corrections to information published in the TMOG must be received in the Office before the registration is issued.

Use of this mailing address for corrections will help ensure that such papers are properly routed within the Office. Telephone inquiries concerning corrections or other matters in relation to published trademark applications should be directed to (703) 557-4249.

Dec. 10, 1984.

MARGARET M. LAURENCE
Assistant Commissioner
for Trademarks.

[1050 TMOG 316]

(234) Notices of Abandonment

The Trademark Operation has begun notifying trademark applicants when their pending applications have been abandoned by the Office. Under this new procedure, a computer-generated post card bearing the notice, serial number, applicant name and abandonment date will be sent to the correspondence address designated by the applicant. The post cards will be mailed within 2 to 4 weeks after the application is declared abandoned.

MARGARET M. LAURENCE
*Assistant Commissioner
for Trademarks.*

Jan. 13, 1986.

[1063 TMOG 4]

(235) Change of Correspondence Address in Trademark Applications

Applicants are reminded that when an application is filed and a correspondence address is entered in the Official record, correspondence will continue to be sent to such address until the applicant or party, or the attorney-at-law or other authorized representative of the applicant or party, indicates in writing that correspondence is to be sent to another address. 37 CFR Section 2.18. The filing of a response to an Office action on letterhead stationery that indicates a different address from the correspondence address of record is insufficient notice that correspondence is to be sent to another address. Specific language is needed which can reasonably be interpreted to be a request to change the address. See TMEP Section 603.

If a power of attorney has been filed in an application, a subsequently filed power of attorney will be regarded as a written request to change the correspondence address, even if there is no specific language changing the address or revoking the prior power of attorney. See TMEP Section 603.

MARGARET M. LAURENCE,
*Assistant Commissioner
for Trademarks.*

May 15, 1986.

[1067 TMOG 7]

(236) Use of Restricted Deposit Account for Electronic Ordering of Patent and Trademark Copies

Effective July 1, 1986, the restricted deposit account will be made available to those members of the public who wish to use it for electronic ordering of patent and trademark copies. The restricted deposit account requires maintenance of a minimum balance of \$300.00 at the end of each month, as compared to the unrestricted account which requires a minimum balance of \$1,000.00.

In FY 1986, the Office established the restricted deposit account for use in charging subscriptions for copies of newly issued patents by subject matter classification. Establishment of a PTO deposit account is a prerequisite for subscription service.

Recently, the Office established an electronic ordering service (EOS), a method of ordering copies of patents and trademarks through the use of a computer terminal and modem. EOS is available only to PTO deposit account holders.

Many people who are interested in using EOS to order copies of patents and trademarks and who do not have PTO deposit accounts find the \$1,000.00 balance required for the unrestricted account prohibitive. Therefore, the use of restricted account is being expanded to incorporate EOS ordering. Subscriptions and EOS ordering are the only two services for which restricted accounts may be used. If you have any questions on subscriptions or EOS, please call Mary Brown on (703) 557-3236. If you have questions on deposit accounts, please call Delores Riley on (703) 557-3227.

THERESA A. BRELSFORD,
*Assistant Commissioner,
for Administration.*

June 23, 1986.

[1068 TMOG 4]

(237) Filing of a Notice of Appeal to the Court of Appeals for the Federal Circuit in the Patent And Trademark Office

This notice supersedes a notice entitled Filing of a Notice of Appeal to the Federal Circuit and Service of Court Papers on the Commissioner of Patents and Trademarks published at 1079 Off. Gaz. Office 72 (June 30, 1987).

A notice of appeal to the Court of Appeals for the Federal Circuit may be filed in the Patent and Trademark Office in any one of the following ways:

A. By first-class mail addressed as follows, in which case the notice of appeal must actually reach the Patent and Trademark Office by the due date:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

B. By "Express Mail" (U.S. Postal Service only) under 37 CFR § 1.10 addressed as follows, in which case the notice of appeal is deemed filed on the date of the Express Mail certificate:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

C. By hand (on or before the due date) to the Office of the Solicitor. The Office of the Solicitor is located at:

Crystal Park II
Suite 918
2121 Crystal Drive
Arlington, Va.

D. By facsimile transmission to the Office of the Solicitor. The telephone number for accessing the Office of the Solicitor facsimile machine is (703) 557-9373. A notice of appeal will be deemed timely filed on the date the facsimile transmission is received by the Office of the Solicitor, provided an original notice of appeal is subsequently received in either of the following ways:

(1) An original, signed copy of the notice of appeal is actually received in the Office of the Solicitor within five calendar days of the facsimile transmission; or,

(2) An original, signed copy of the notice of appeal is mailed by "Express Mail" (U.S. Postal Service only) under 37 CFR § 1.10 on the day of the facsimile transmission.

The facsimile machine for receiving a notice of appeal is located in the Office of the Solicitor and is staffed during the business hours of 8:30 a.m. to 5:00 p.m., Monday through Friday, excluding holidays. Due to possible equipment failure or maintenance requirements, precautions must be taken when relying on the availability of this service near the end of the time for filing a notice of appeal.

March 22, 1990

FRED E. McKELVEY
Solicitor

[1113 TMOG 29]

(238) Service of Court Papers on the Commissioner of Patents and Trademarks

Court papers other than a notice of appeal to the U.S. Court of Appeals for the Federal Circuit may be served on the Commissioner in either of the following ways:

A. By hand between 8:30 a.m. and 5:00 p.m. at the Office of the Solicitor, located in Crystal Park II, Suite 918, 2121 Crystal Drive, Arlington, Va.

B. By mail in an envelope addressed as follows:

Office of the Solicitor
P.O. Box 15667
Arlington, Va. 22215

While the above mail service address may be supplemented to include the name of the particular attorney assigned to the court case, it must *not* be supplemented to refer to either the Commissioner of Patents and Trademarks or the U.S. Patent and Trademark Office (PTO).

Court papers mailed to an address other than the above mail service address and court papers delivered by hand are deemed to have been served on the Commissioner when actually received in the Office of the Solicitor.

Papers which are not court papers and are intended to be filed in the PTO in connection with an application or other proceeding pending in the Office shall not be mailed to the Solicitor's mail service address. Any such papers which are mailed to the Solicitor's mail service address will not be considered to have been filed in the PTO. Instead, all such papers will be returned. No exceptions will be made to this policy.

Mar. 22, 1990

FRED E. McKELVEY
Solicitor.

[1113 TMOG 30]

(239) Appeals to the Federal Circuit from the PTO

This notice was originally prepared by the Solicitor and Associate Solicitor Richard E. Schafer for presentation at the Eighth Annual Judicial Conference of the U.S. Court of Appeals for the Federal Circuit. The notice discusses litigation philosophy of the Office of the Solicitor of the Patent and Trademark Office and other matters which may be helpful to appellants and others seeking judicial review of PTO decisions in the U.S. Court of Appeals for the Federal Circuit.

October 5, 1990

FRED E. McKELVEY
Solicitor

I. Introduction

This notice discusses the philosophy of the Office of the Solicitor when representing the Commissioner before the Federal Circuit and other courts. The notice is also designed to assist appellants and others seeking judicial review of Patent and Trademark Office (PTO) decisions in the Federal Circuit. Much of what is said in the notice is also applicable to those instances where judicial review is sought of PTO decisions in a district court.

II. Solicitor's litigation philosophy

The Office of the Solicitor and its attorneys start with the proposition that justice is done when the right result is reached. The Solicitor is not an advocate who needs to win to be satisfied. Rather, the public interest is served when:

- (1) a patent issues on a patentable invention;
- (2) a patent is refused on an unpatentable invention;
- (3) a trademark is registered if entitled to registration under Title 15;
- (4) a trademark is refused registration if not entitled to registration under Title 15; or
- (5) PTO rules are properly applied within PTO and by reviewing courts.

Our litigation philosophy is expressed in *Berger v. United States*, 295 U.S. 78, 88 (1935):

The . . . [Government attorney] is the representative not of an ordinary party to a controversy, but of a sovereignty whose obligation to govern impartially is as compelling as its obligation to govern at all; and whose interest . . . is not that it shall win a case, but that justice shall be done. As such, he is in a peculiar and very definite sense the servant of the law, the twofold aim of which is that guilt shall not escape or innocence suffer.

The Office of the Solicitor does more than simply "defend" an appeal. Rather, it will determine whether:

- (a) appeals are ripe for judicial consideration;
- (b) there are steps a party might take in PTO to obviate the appeal, e.g., amendments which might be made to claims to conform an argument to the subject matter being claimed—we often find that arguments in a brief are based on limitations which do not appear in the claims;
- (c) there is material not in the record which might provide a full answer to an argument—particularly a new one—made in a brief; and/or
- (d) the deciding official or board should be approached to see if it wishes to reevaluate its decision in view of a change in the law, a credible argument that the decision may not be correct, or a matter which may have been overlooked.

Most of the time, it takes more effort to implement this philosophy than it would take simply to brief and argue a matter.

Generally, in a Federal Circuit matter, the Office of the Solicitor—apart from designating an appendix—does not "get deeply into" a case until appellant's brief is filed. Exceptions occur, i.e., *inter partes* patent and trademark cases where the board opinion is reviewed to see if an *amicus* brief might be appropriate to assist the Federal Circuit with PTO practice.¹ This is not to say that an appellant should not feel free to discuss an appeal with an attorney in the Solicitor's Office. But, ordinarily in an *ex parte* case, we do not spend time until we see appellant's brief. The reason is that a large number of appeals are simply dismissed without the need for us to do much, if any, work.

Table 1, below, shows the disposition of appeals from October 1985 through April 1990. About 23%, i.e., 146, of the cases were dismissed with little, if any, work having been done by the Office of the Solicitor on the appeal. If we conducted a review of *all* appeals when filed, our Federal Circuit "workload" would increase about 23%. We do not have the resources to effectively carry on 23% more work.

We find a lot of cases are not ripe or otherwise ready for judicial review. When we determine that more work needs to be done before the Federal Circuit should consider a case, we generally move to remand. Fed. Cir. R. 27(c) provides that a remand generally should be requested prior to briefing. However, since we generally cannot efficiently take up cases until appellant's brief is filed, we now file motions to remand along with our brief. A merits panel is then in a position to evaluate whether it should hear the case on the merits or order a remand.

There are a variety of reasons why we seek remands.

Table 1
Disposition of cases in the Courts of Appeals
in which the Solicitor has appeared
October 1985 through September 1990

	Pat	TM	Total
Disposed cases:			
Affirmed	300	47	347
Modified	10	0	10
Reversed	47	17	64
Remanded ²	40	8	48
Dismissed	120	26	146
Amicus/intervene	7	2	9
Examiner testimony	1	0	1
Transfer	6 ³	0	6
Mandamus granted	0	0	0
Mandamus granted-in-Part	1	0	1

¹ See e.g., *Fujiie v. Verhagen*, Fed. Cir. No. 89-1126; *Hahn v. Wong*, 13 USPQ2d 1211 (Bd. Pat. App. & Int.), *aff'd*, 892 F.2d 1028, 13 USPQ2d 1313 (Fed. Cir. 1989); *Perkins v. Kwon*, 886 F.2d 325, 12 USPQ2d 1308 (Fed. Cir. 1989); and *Winkler v. Guglielmino*, Fed. Cir. No. 89-1571. See also *Copelands' Enterprises, Inc. v. CNV, Inc.*, 887 F.2d 1065, 12 USPQ2d 1562 (Fed. Cir. 1989) (en banc) and *Kellogg Co. v. Pack'em Enterprises, Inc.*, Fed. Cir. No. 90-1336.

² Approximately 80% of the remands were ordered based on motions to remand filed by the Office of the Solicitor. See the discussion on remands, *infra*.

³ All transfers were from a regional court of appeals to the Federal Circuit.

Mandamus denied	6	2	8
Mandamus dismissed	3	0	3
Totals:	541	102	643
	A.		

An appellant may argue that a certain feature of a claim is not shown in the prior art. Such an argument may prompt us to determine whether the feature is known. If we find the feature, we will probably ask for a remand for the purpose of making an additional rejection.⁴ In like manner, based on our respective backgrounds or other cases handled by the Office of the Solicitor, we may know of prior art which strengthens a rejection.⁵

B.

Similarly, an appellant may argue that a certain fact is true. Upon looking into the matter, we have found literature from the appellant's assignee or other evidence which, in our opinion, demonstrates that the argument may not be factually correct.⁶ Since the literature or other evidence is not part of the record, we have asked for a remand so that the case may be fully developed before a merits panel is required to consider the case. We have also filed a brief on the merits asking the Federal Circuit to take judicial notice of a fact while concurrently filing a contingent motion to remand in the event the merits panel believes that judicial notice is not appropriate.⁷

C.

We have had cases where the sole issue is whether a Rule 131, 37 CFR § 1.131, affidavit is sufficient to antedate a reference. When the sufficiency of a Rule 131 affidavit is in issue, we search for a foreign or other equivalent statutory bar. When an equivalent statutory bar is found, we move to remand suggesting that the issue on appeal may well be moot.⁸

D.

In *re Steele*, 305 F.2d 859, 134 USPQ 292 (CCPA 1962), suggests that indefiniteness should be taken care of prior to considering obviousness. There have been cases in which the claims are so indefinite that judicial review of an obviousness issue simply would not make sense. Remands, over appellant's objection, have been ordered.⁹

E.

There have been occasions where the Board, TTAB, or the Commissioner decides to change or reconsider a decision. A change of decision can occur, *inter alia*, due to:

1. new "law" as announced in a court or administrative decision,¹⁰ or
2. a deciding official or tribunal determines that:
 - (a) a decision may not be correct,
 - (b) a matter was overlooked,¹¹ or
 - (c) a decision otherwise needs to be reconsidered.¹²

F.

There have been cases where, although not argued by the appellant, it did not make sense to apply existing law in a particular context. We have moved to remand. In one instance, the Board reconsidered its position, established new law, and granted relief.¹³

⁴ *In re Yashuhara*, Fed. Cir. No. 85-889. The reference added on remand was relied upon by the Federal Circuit in a later decision affirming the rejection made on remand. *In re Yashuhara*, Fed. Cir. No. 86-1634. See also *In re Merz*, Fed. Cir. No. 86-615, and *R. D. Werner Co. v. Quigg*, Civil Action No. 85-0945 (D.D.C.).

⁵ See e.g., *In re Trogan*, Fed. Cir. No. 85-2724, *Flexiwatt v. Quigg*, Civil Action No. 86-2666 (D.D.C.), *In re Nilssen*, Fed. Cir. No. 87-1349, *In re Nilssen*, Fed. Cir. No. 87-1392, and *Hepar Chimie v. Mossinghoff*, Civil Action No. 85-1912 (D.D.C.).

⁶ *In re Weitz*, Fed. Cir. No. 85-879; *In re Lowrance Electronics, Inc.*, Fed. Cir. No. 88-1180; *In re Klang*, Fed. Cir. No. 85-2825.

⁸ *In re Lockner*, Fed. Cir. No. 86-1269.

⁹ *In re Jacobs*, Fed. Cir. No. 85-2210.

¹⁰ *In re Eastin*, Fed. Cir. No. 90-1439.

¹¹ *In re Giordano*, Fed. Cir. No. 87-1029; *In re Raleigh Stores Corp.*, Fed. Cir. No. 87-1183; *In re Whaleco*, Fed. Cir. No. 87-1522.

¹² *In re Brown*, Fed. Cir. No. 86-617; *Groz v. Quigg*, Civil Action No. 87-1340 (D.D.C.); *London Laboratories v. Commissioner*, Civil Action No. 86-0914 (D.D.C.); *Hashimoto v. Quigg*, Civil Action No. 86-1595 (D.D.C.); and *Katrapat AG v. Quigg*, Civil Action No. 87-0250 (D.D.C.).

¹³ *Papst-Motoren GmbH & Co. v. Quigg*, Civil Action No. 86-1168 (D.D.C.). The Board's decision on remand is published. *Ex Parte Papst-Motoren*, 1 USPQ2d 1655 (Bd. Pat. App. & Int. 1986).

G.

In its opinion, the Board — without entering a new ground of rejection under Rule 196(b), 37 CFR § 1.196 — may suggest that if there is to be further prosecution, an examiner may wish to look into several possible rejections. Generally in such a case the appellant will abandon or refile under 35 U.S.C. § 120. On occasion, however, an appellant will seek judicial review. Ordinarily, we seek remands in such a case in order to avoid piecemeal judicial review.¹⁴

H.

We had one case in which an appellant "dropped" an appeal as to all but a dependent claim — only the independent claim had been discussed in appellant's brief to the Board and the Board discussed only the independent claim. We sought a remand — after the appellant's brief had been filed — so that PTO could articulate a rationale as to the sole claim left in appeal.¹⁵ Alternatively, we could have argued the appeal on the basis of the independent claim. However, in the context of the particular case, that alternative did not make sense.

I.

We had a case where the application on appeal was deemed to be abandoned. We moved to remand to clarify the status of the application.¹⁶ We also had a trademark appeal in which registration in the United States could not occur until registration took place abroad.¹⁷ Obviously, there was no reason to proceed in the Federal Circuit until registration occurred in the foreign country. When an appeal is taken in a trademark case, we always check to be sure that the registration relied upon is "alive." Appellant also should be sure that the registration has not expired. In one trademark appeal, the likelihood of confusion issue became moot on appeal when we discovered that the registration cited against the appellant expired without being renewed.

Most attorneys representing appellants will agree to a remand when approached by an attorney in the Office of the Solicitor — regardless of the time a suggestion to remand is made. A remand saves appellant, the Federal Circuit and our office time and money and in the long run contributes to the effective administration of justice within PTO and the Federal Circuit. In some cases, our motions to remand have been opposed. In one published opinion, an opposed motion was granted notwithstanding appellant has filed its principal brief;¹⁸ in another opinion, relief was denied.¹⁹ It appears the Federal Circuit has adopted, as a general rule, the latter opinion. See Fed. Cir. R. 27(c).

We will not attempt to reconcile Fed. Cir. R. 27(c) with what we regard to be the better policy expressed in *In re Gould*. We will point out, however, that if an appeal proceeds in the face of a motion to remand,

(a) an appellant will have to spend money to have its attorney appear for oral argument,

(b) the merits panel will have to spend time preparing for oral argument, holding oral argument, and writing an opinion,

(c) PTO will have to expend resources preparing for and presenting oral argument, and

(d) prosecution on the merits may be reopened after a mandate is entered if a viable rejection remains to be considered.

¹⁴ See *Tofo v. Winchell*, 645 F.2d 58, 63 [headnote 6], 209 USPQ 379, 384 (CCPA 1981). See also *Paradis v. Quigg*, Civil Action No. 87-1486 (D.D.C.) and *Clough v. Quigg*, Civil Action No. 87-2304 (D.D.C.).

¹⁵ *In re Hyan*, Fed. Cir. No. 85-2224.

¹⁶ *In re Goodman*, Fed. Cir. No. 87-1056. The Commissioner's decision reviving the application is reported. *In re Goodman*, 3 USPQ2d 1866 (Comm'r Pat. 1987). See also *In re Greven*, Fed. Cir. No. 87-2341.

¹⁷ *In re Matsushita Electric*, Fed. Cir. No. 89-1526.

¹⁸ *In re Gould*, 673 F.2d 1385, 213 USPQ 628 (CCPA 1982). Relief in this case was ultimately granted in PTO. *Ex parte Gould*, 6 USPQ2d 1680 (Bd. Pat. App. & Int. 1987).

¹⁹ *In re Hester*, 838 F.2d 1193, 5 USPQ2d 1832 (Fed. Cir. 1988). Relief on the merits was ultimately granted by the Federal Circuit in an unpublished opinion.

It is possible, of course, that we might prevail on the merits, thereby obviating any need for a remand. However, if we do not prevail, PTO can — and often does — reopen prosecution of the application upon entry of the Federal Circuit's mandate to consider the matter raised by a motion to remand.²⁰

Sometimes an appellant will decide to file a second application, i.e., a continuation application or another trademark application, and simultaneously pursue the appeal. We believe appellant has a responsibility to call our attention to the fact that a second application has been filed. Knowledge of the second application is material to steps we might take.

First, perhaps any appeal (or civil action) should be suspended pending outcome of proceedings on the second application or dismissed without prejudice to another appeal in the event a final adverse Board decision is entered in the second application. In effect, by filing a second application, appellant admits that there are available administrative remedies and that those remedies have not been exhausted.

Second, it is in PTO's best interest that the examiner handling the second application be aware of the existence of an appeal. The examiner may ask our office for assistance, as may the Board, during prosecution of the second application.

III. Notice of appeal

Recent amendments have been made to conform PTO practice as much as possible to Fed. R. App. 4. See 54 Fed. Reg. 29548 (July 13, 1989), *reprinted in*, 1105 Off. Gaz. Pat. Office 5 (Aug. 1, 1989).

A. Time for appeal

If an appeal from a PTO decision to the Federal Circuit is authorized by law, the time for filing a notice of appeal in PTO was changed in August 1989 to two (2) months or 60 days, whichever is longer. The time for seeking judicial review by civil action under 35 U.S.C. §§ 145 or 146 is also two (2) months or 60 days, whichever is longer.

The filing of a request for reconsideration in PTO tolls the time for filing a notice of appeal. After a decision on reconsideration is entered in PTO, the two month period begins to run.

The time for appeal to the Federal Circuit is set by the Commissioner. 35 U.S.C. § 142; 15 U.S.C. § 1071(a)(2). The period for appeal must be at least 60 days. A notice of final rule was effective in August 1989 setting the time for appeal to two months or 60 days — whichever is longer. The dichotomy which used to exist between the 60-day period for initial decisions and the 30-day period for decisions on reconsideration²¹ no longer exists.

B. Cross appeals

In *inter partes* cases, a cross-appeal may be filed within fourteen (14) days of service of an appeal or two months after the PTO decision being appealed, whichever is later.

C. Requests to extend time to appeal

A request for an extension of time to file a notice of appeal before the appeal period expires can be granted by the Commissioner upon a showing of good cause.

A request after the appeal period expires must establish excusable neglect. The "excusable neglect" standard applied by PTO is the same as that applied by the courts of appeals.

All requests for an extension of time to appeal should be directed to the attention of the Office of the Solicitor.

D. Where to file a notice of appeal

The original notice must be filed in PTO — filing only in the Federal Circuit does not perfect an appeal. However, a copy must also be filed in the Federal Circuit. Fed. Cir. R. 15. A copy of the decision being appealed, and any decision on reconsideration, should be attached to the copy of the notice of appeal filed in PTO and with the Federal Circuit.

The original notice may be filed in any of the following ways:

1. By hand-delivery to the Office of the Solicitor between 8:30 a.m. and 5:00 p.m. at:

Office of the Solicitor
2121 Crystal Drive
Suite 918
Arlington, Virginia

2. By first-class mail addressed to:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

3. By Express Mail under 37 CFR § 1.10 addressed to:

Box 8
Commissioner of Patents and Trademarks
Washington, D.C. 20231
Attention: Office of the Solicitor

A certificate of mailing under 37 CFR § 1.8 cannot be used to file a notice of appeal. A notice of appeal filed in PTO using a certificate of mailing under 37 CFR § 1.8 is deemed filed when received in PTO. *In re Thrifty Corp.*, 231 USPQ 560 (Comm'r Pat. 1986).

A notice of appeal mailed to the Solicitor's Postal Box in Arlington, Virginia is deemed filed when received in the Office of the Solicitor.

E. Content of notice of appeal

A notice of appeal should identify all parties appealing. Fed. R. App. P. 15(a). See *Torres v. Oakland Scavenger Co.*, 487 U.S. 312, 317 (1988) [construing similar requirement of Fed. R. App. P. 3(c)].

Thus, in a case where there are joint inventors, the notice of appeal should identify all inventors. The notice of appeal should not identify John Doe et al. as appellants; rather, it should identify as appellants all named inventors, i.e., "John Doe and Richard Roe appeal . . ."

A notice of appeal need simply state that:

John Doe and Richard Roe appeal to the U.S. Court of Appeals for the Federal Circuit from a final decision entered by the Board of Patent Appeals and Interferences on June 15, 1990, and from a decision on reconsideration entered by the Board on July 15, 1990.

There is no need to give reasons in the notice of appeal. See 37 CFR §§ 1.4 and 1.5 for material which should appear in the "heading" of the notice of appeal.

IV. Transmittal of certified list

After a notice of appeal is received, a determination is made whether the notice was timely filed.

Appellant will be advised if the appeal is untimely. Fed. Cir. R. 15(b)(1) governs proceedings when a notice of appeal is not timely filed:

If the Commissioner notifies the clerk that the notice of appeal was not timely, the clerk shall order the appellant to show cause why the appeal should not be dismissed, and thereupon refer the response to the court.

In order to properly respond to the Federal Circuit, an appellant may wish to file a request for an extension of time, which should be filed in the Office of the Solicitor, and establish that the untimely filing of the notice of appeal was a result of excusable neglect. Any decision on the request will be copied to the Clerk of the Federal Circuit for such action as may be appropriate. A decision by the Commissioner granting a request to extend the time for filing the notice of appeal will discharge the show cause order entered by the Clerk.

A certified list, consisting of the contents of the application, interference, opposition, cancellation, or other proceeding is copied and forwarded to the Federal Circuit with a statement indicating whether the notice of appeal was considered timely filed. In *ex parte* patent appeals the certified list usually does not include the contents to any "parent" applications unless the application involved in the appeal is a "file wrapper continuation" under 37 CFR § 1.62.

A copy of the certified list is mailed to the appellant or, in the case of an *inter partes* proceeding, all parties.

In *ex parte* patent or trademark appeals, an attorney in the Office of the Solicitor is assigned to the appeal at the time the certified list is forwarded to the Federal Circuit. Counsel for appellant should initiate a discussion with the Solicitor's Office

²⁰ *In re Ruschig*, 379 F.2d 990, 154 USPQ 118 (CCPA 1967); *In re Fisher*, 448 F.2d 1406, 171 USPQ 292 (CCPA 1971).

²¹ 37 CFR § 1.304(a) (1989); 37 CFR § 2.145(d) (1989).

attorney assigned to the case to determine the contents of the appendix.

Upon receipt of the certified list, the appeal will be docketed by the Federal Circuit. An appeal number is assigned to each appeal by the Federal Circuit. Appellant's 60-day period for filing a brief runs from the later of the date the appeal is docketed by the Federal Circuit or the certified list is served. Fed. Cir. R. 31(a). Since the appeal is docketed after the certified list is served in the case of PTO appeals, the 60-day period almost always runs from the date the appeal is docketed.

V. Service of court papers on the Solicitor

The mail service address for the Solicitor is:

Office of the Solicitor
P. O. Box 15667
Arlington, Virginia 22215

Only litigation papers should be mailed to the Post Office box address. Other papers intended for filing in PTO should be addressed as specified in 37 CFR § 1.1. Non-litigation papers will be returned and will not be forwarded to the Mail Room.

Litigation papers not served by hand must be mailed to our Post Office box. Litigation papers mailed or delivered to the Mail Room of PTO, left in PTO's night deposit box, or left with a PTO employee in an office other than the Office of the Solicitor, are deemed served when received in the Office of the Solicitor.

The Office of the Solicitor is open from 8:30 a.m. to 5:00 p.m. Litigation papers served by hand must be delivered between 8:30 a.m. and 5:00 p.m. to:

Office of the Solicitor
2121 Crystal Drive
Suite 918
Arlington, Virginia

Unless permitted by court rules or order, delivery does not include facsimile transmission.

VI. Motions

Motions are inevitable in Federal Circuit and other court practice. Before a motion is filed, appellant should contact the Solicitor's Office to see if there is agreement on the requested relief and the proposed order. If there is no opposition to a procedural order, it can be entered by the Clerk, thereby obtaining prompt relief and obviating the need for a judge or motions panel to consider the matter.

VII. Appendix

A. Designation

The Office of the Solicitor typically designates the following items for inclusion in the appendix in addition to the mandatory items specified in Fed. Cir. R. 30.

In *ex parte* patent cases, we generally designate:

- (1) the specification;
- (2) any drawings;
- (3) the prior art supporting the rejection;
- (4) the final rejection and any Office action referenced in the final rejection;
- (5) the examiner's answer; and
- (6) any evidence submitted to support patentability.

In *ex parte* trademark cases, we generally designate:

- (1) the trademark application, including the drawing;
- (2) specimens;
- (3) the trademark examining attorney's statement; and
- (4) registrations supporting the refusal and any other evidence relied upon by the examining attorney or the TTAB.

It should be noted that Fed. Cir. R. 30(a)(2)(iii) prohibits the inclusion of briefs filed by an applicant in PTO without leave of the court. However, the examiner's answer and examining attorney's statement may be designated and included without leave. Fed. Cir. R. 30(a)(2).

While the items in the appendix differ from case to case, a typical appendix in an *ex parte* patent appeal contains the following items in the following order:

- (1) table of contents;
- (2) the initial decision of the Board;
- (3) any decision on reconsideration;
- (4) a copy of the certified list, which corresponds to the docket entries mentioned in Fed. R. App. P. 29(a)(1);

- (5) the specification;
- (6) the final rejection;
- (7) the examiner's answer;
- (8) any prior art relied upon by PTO;
- (9) any rebuttal evidence, e.g., affidavits under Rule 131, 37 CFR § 1.131, or Rule 132, 37 CFR § 1.132; and
- (10) a copy of the rejected claims.

With respect to the last item, Fed. Cir. R. 30(a)(3) provides:

In appeals from . . . [PTO], the appendix shall, unless the parties mutually agree to the contrary, include a copy of all rejected claims in an *ex parte* patent appeal, a copy of all counts in a patent interference appeal, and both a copy of the trademark sought to be registered or cancelled and a copy of any registration relied upon to refuse or oppose registration or to seek cancellation of a registered mark in an *ex parte* or an *inter partes* trademark appeal.

If the material designated as the appendix exceeds 100 pages, a draft copy of the appendix, with page numbers, should be sent to the Office of the Solicitor. Upon receipt, if we see any problem with the appendix, including any failure to comply with Federal Circuit rules, we promptly advise appellant. Preparation of a draft appendix will also insure that all briefs properly refer to pages of the appendix.

B. Page numbering

Fed. Cir. R. 30(c)(2) requires that page numbers be centered in the bottom margin of each page and that other pagination marks be redacted if necessary to avoid confusion. Numbering the appendix pages with a format such as "0001" generally avoids confusion with other page numbers.

If the designated appendix is less than 100 pages (which should be copied on both the front and back), the appendix is bound with appellant's principal brief. If the designated appendix is more than 100 pages, the appendix is filed separately within seven (7) days of the date the last reply brief is filed. Fed. Cir. R. 30(a)(4).

C. Legible materials

An appendix will often contain copies of materials which are illegible. In cases where counsel for an appellant does not have legible copies of materials which are available in PTO, contact the Office of the Solicitor and we will arrange to send a legible copy.

Handwritten notes in the margin of counsel's copy of Office actions should be removed. The proper place to argue a case is in a brief — not in notes in the margin.

VIII. Briefs

A. Statement of the facts

Fed. R. App. P. 28(a)(3) requires that an appellant file a statement of facts relevant to the issues presented for review. Fed. Cir. R. 28(b) provides that the appellee's statement of the case should be limited to the specific areas of disagreement with those of the appellant. Absent disagreement the appellee shall not include a statement of the case in his brief. *Id.* In our view these rules place the responsibility to provide a complete and neutral statement of facts on the appellant. Appellant should remember that it *lost* below. Hence, the "facts" are not those the appellant would like them to be; rather, the "facts" are those found by the Board. The statement of the facts in a brief is not the place to argue that the Board was clearly erroneous in making a finding of fact.

In our experience, appellants' statement of the facts invariably include argument; fail to describe all the facts relevant to the issues; state the facts in a light most favorable to appellant despite contrary findings below; or state conclusions — often without citation to the appendix. As a result, we typically find it necessary to include a detailed and, we believe, a complete and neutral statement of facts — with full citations to the appendix.

We particularly note that when "new" counsel is retained to handle the Federal Circuit appeal, the arguments on appeal often bear no resemblance to the arguments made to the Board. As a matter of logic, it would seem that the Board could not possibly have erred below on the basis of an argument made for the first time in the Federal Circuit. See *Keebler Co. v. Murray Bakery Products*, 866 F.2d 1386, 9 USPQ2d 1736 (Fed. Cir. 1989) (since

Keebler failed to tell the TTAB it was interested in Murray's "intent," it could not use intent as a basis for showing "error" by the TTAB; prescience is not a required characteristic of the board and the board need not divine all possible afterthoughts of counsel that might be asserted for the first time on appeal).

B. References in brief to the appendix

All factual assertions made in the brief should be supported with citation to the appendix. How the Federal Circuit is supposed to know that an assertion is correct, when no reference is made to the appendix in support of the assertion, is something we have not been able to figure out. The Federal Circuit has often noted, with apparent disapproval, the absence of a citation to the appendix in support of a party's position.²² Failure to cite to the appendix may affect an attorney's credibility before the Federal Circuit and diminish the impact of otherwise meritorious arguments. If counsel feels that it is necessary to make factual assertions and cannot point to the specific portion of the appendix supporting the assertion, consideration should be given to refileing the application. Argument which depends on factual assertions not supported by the record cannot have any relevance to any error in the decision under review.

Moreover, to the extent that we have influence within PTO to bring about a favorable result by way of settlement, we need to be convinced. Allegations, not supported by references to the appendix, are not likely to convince any attorney in the Office of the Solicitor of the merits of an appellant's position.

IX. Oral argument

A. When we appear

An attorney from the Solicitor's Office will appear and present argument in cases in which the appellant intends to present oral argument. We will submit on the briefs only (1) where appellant submits on brief and (2) no reply brief has been filed or we conclude that the reply brief does not require comment at the oral hearing. On the other hand, if a reply brief raises a substantial issue, particularly a "new" issue, we will appear even if appellant waives oral argument.

B. Discussing the [alleged] error

An appellant has a burden of showing that the Board erred in its decision.²³ Factual findings below must be shown to be clearly erroneous,²⁴ while legal conclusions are reviewed for correctness or error as a matter of law.²⁵ Having only a short time for oral hearing, typically fifteen minutes, appellants should direct their remarks to the purported errors in the Board's decision. Based upon the 60 to 80 cases we argue annually, we can assure appellants that Federal Circuit merits panels are familiar with the record and the proceedings under review. Counsel may not want to use part of the 15 minutes normally allocated for oral argument by:

(1) explaining that the case is an appeal from the Patent and Trademark Office (the merits panel already knows that because the briefs have been read),

(2) identifying the appellant or assignee (because it is essentially irrelevant),

(3) reviewing the facts of the case, etc.

However, counsel should be thoroughly familiar with the record and be prepared to identify the portions which support their arguments.

We suggest oral argument by an appellant should start by saying "The error below was . . ." and here's why.

C. Visual aides

Fed. Cir. R. 34(c) encourages the use of visual aids. If the visual aid was not used during the administrative proceeding, written notice of the proposed use must be given at least 15 days prior to the hearing. Any written objections must be filed at least 5 days before the hearing. The rule also provides that counsel may agree on the use of visual aids.

Whether or not we will agree depends on the particular facts. We ordinarily do not disagree with enlargements ("blow-ups") of portions of the record. Where the proposed visual aid is not part of the record, we will not agree until we have had an opportunity to see the visual aid.

X. Petitions for rehearing

Petitions for rehearing can be useful if properly used. But, in our experience, petitions for rehearing filed by appellants simply reargue the case. We do not believe this is a proper function of a petition for rehearing.

Generally we will file a petition for rehearing only when (a) we believe the merits panel has made a genuine mistake — not merely a "judgment" call which happens to differ from our judgment, or (b) even where the result is correct, an opinion contains language which we believe will seriously and adversely affect PTO's ability to properly and effectively administer the patent or trademark laws. See Markey, "Semantic Antics in Patent Cases," 88 F.R.D. 103, 108 (1980) (suggesting rehearing should be requested to modify opinion language which confuses the law of patents).

We suggest, and do not believe, that there is such a thing as a "routine" petition for rehearing. A truly extraordinary situation must exist before a petition for rehearing can be deemed proper.²⁶ The Office of the Solicitor has been relatively successful with petitions for rehearing. In a 20-year period before the CCPA and Federal Circuit, we can recall filing approximately 12 petitions for rehearing. Some form of relief has been granted in nine, i.e., claims found patentable in the original decision were found unpatentable on rehearing,²⁷ language was changed in the opinion,²⁸ relief was granted in part,²⁹ etc.

XI. Issuance of mandates/termination of proceedings

As provided in Fed. R. App. P. 41(a), the Court's mandate usually issues 21 days after the entry of its decision. A request for rehearing stays the mandate until seven days after an order by the merits panel denying rehearing. Unless there are allowable claims or the Court's decision requires further proceedings by the Office, the receipt of the mandate by PTO "terminates the proceedings" for purposes of continuity under 35 U.S.C. § 120. 37 CFR § 1.197(c), 54 Fed. Reg. 29548, 29552 (July 13, 1989) *reprinted in*, 1105 Off. Gaz. Pat. Office 5, 9 (Aug. 1, 1989). If an appellant contemplates filing a "continuing" application, it should be filed prior to the receipt of the mandate by PTO to preserve the benefit of the filing date of the parent application. Proceedings terminate on receipt of the mandate, *not* upon the expiration of the period for applying for certiorari to the Supreme Court.³⁰

²⁶ In the case of a suggestion for rehearing en banc, we obtain approval from the Solicitor General.

²⁷ *In re Tiffin*, 448 F.2d 791, 171 USPQ 294 (CCPA 1971).²⁸ *Parks v. Fine*, 773 F.2d 1577, 227 USPQ 432 (Fed. Cir. 1985), *opinion amended*, 783 F.2d 1036, 228 USPQ 677 (Fed. Cir. 1986).

²⁹ *Newman v. Quigg*, 877 F.2d 1575, 11 USPQ2d 1340 (Fed. Cir.), *reh'g on costs granted in part*, 886 F.2d 329 (Fed. Cir. 1989).

³⁰ *In re Jones*, 542 F.2d 65, 69, 191 USPQ 249, 252 (CCPA 1976) (when PTO receives CCPA mandate, proceedings in patent application are terminated); *Continental Can Co. v. Schuyler*, 326 F. Supp. 283, 168 USPQ 625 (D.D.C. 1970) (proceedings terminate within meaning of 35 U.S.C. § 120 when mandate of CCPA was issued). See also *In re Willis*, 537 F.2d 513, 515, 190 USPQ 327, 329 (CCPA 1976). Once a mandate is issued, it is our experience that a motion to withdraw the mandate to secure "copendency" with a continuation will not be granted. *In re Iwashita*, Fed. Cir. No. 90-1162, *In re Nakahama*, Fed. Cir. No. 90-1166, and *In re Nakahama*, Fed. Cir. No. 90-1187.

²² See e.g., *Datascope Corp. v. SMEC, Inc.*, 879 F.2d 820, 827, 11 USPQ2d 1321, 1325 (Fed. Cir. 1989), *cert. denied*, 110 S.Ct. 729 (1990).

²³ *In re Durden*, 763 F.2d 1406, 1409, 226 USPQ 359, 361 (Fed. Cir. 1985) (The burden is on appellant to persuade the court that the Board was wrong).

²⁴ *Stock Pot Restaurant v. Stockpot, Inc.*, 737 F.2d 1576, 1578, 222 USPQ 665, 667 (Fed. Cir. 1984) (findings of fact of the TTAB are reviewed under the clearly erroneous standard); *In re Caveney*, 761 F.2d 671, 674, 225 USPQ 1, 3 (Fed. Cir. 1985) (findings of fact by the Board of Patent Appeals and Interferences are reviewed under the clearly erroneous standard).

²⁵ *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

XII. Costs

In *ex parte* patent and trademark appeals from PTO, costs are not awarded for or against the Commissioner. See Fed. Cir. Practice Note to Fed. Cir. R. 39.³¹ Hence, we do not file bills of costs in *ex parte* cases.

[1120 TMOG 22]

(240)

Helpful Hints

• *Correspondence with Certificate of Mailing Delivered by Commerical Carrier* — The benefits of 37 CFR 1.8 or 1.10 apply only to documents delivered to the PTO by the U.S. Postal Service.

A number of instances have been uncovered where individuals are certifying that documents were deposited with the U.S. Postal Service when, in fact, the documents were hand carried or delivered to the PTO via commercial mail service, e.g., "Federal Express," "DHL," "Purolator," "Air Borne," "UPS," etc. In those instances where documents include a certificate of mailing under 37 CFR 1.8 or 1.10, but were delivered to the PTO by other than U.S. Postal Service, Mail Room personnel are placing a notice indicating that fact on the correspondence involved to alert PTO personnel that the benefits of 37 CFR 1.8 or 1.10 do not apply.

[1080 TMOG 3]

(241)

Helpful Hints

• *Certificate of Mailing AND Return Post Card* — Use of the Certificate of Mailing Procedure is strongly encouraged.

37 CFR 1.8(a) provides for the use of a Certificate of Mailing on most correspondence with the PTO, whereby the correspondence (and/or fee) will be considered as timely filed if deposited with the U.S. Postal Service within the set time period. Consistent use of this procedure is extremely beneficial to practitioners, whether or not the Post Card Receipt provision of MPEP 503 is used.

In those instances where the PTO never receives the correspondence, no post card receipt will be available to evidence the filing and/or timeliness of the correspondence. However, in those instances where a Certificate of Mailing is properly used, 37 CFR 1.8(b) provides relief, even if the correspondence is not received in the PTO at all. Under 37 CFR 1.8(b) the party who forwarded the correspondence need only (1) inform the PTO of the previous mailing of the correspondence, (2) supply a copy of the previously mailed correspondence and Certificate, and (3) include a declaration which adequately attests to the previous timely mailing.

[1082 TMOG 8]

(242)

**Filing of Certain Trademark
Papers and Authorizations to Charge
Deposit Accounts by Facsimile Transmission**

Effective Feb. 12, 1991, the Trademark Examining Operation (TMEO) and the Office if the Assistant Commissioner for Trademarks (A/C TM) will implement a pilot program to study the feasibility of accepting certain trademark documents by facsimile transmission (fax). The information gathered from this program and the pilot program currently in place for acceptance of certain patent documents by fax, (See 1096 Official Gazette 30, November 15, 1989), will be evaluated for the purpose of drafting a rules package governing the fax procedure. The Trademark Trial and Appeal Board will not participate in the program at this time, but may consider accepting fax transmissions at a later date.

³¹ See also *In re Kochan*, Fed. Cir. No. 83-502 (May 25, 1983); *In re Lobdell*, Fed. Cir. No. 83-674 (Sept. 22, 1983); *In re Piasecki*, Fed. Cir. No. 84-775 (Nov. 9, 1984); *In re Shivers*, Fed. Cir. No. 85-1544 (Dec. 19, 1985); *In re Wrenn*, Fed. Cir. No. 86-743 (July 17, 1986); and *In re Dow Chemical*, Fed. Cir. No. 87-1406 (Feb. 11, 1988).

Because this is a pilot program, only select documents will initially be accepted via facsimile transmission. These trademark documents include, but are not limited to: (1) Responses to Office Actions (but not those which include specimens of use and/or drawings; (2) Petitions to the Commissioner; (3) Letters of Protest; (4) Deposit Account Authorization; and (5) Requests for Reconsideration.

Documents Excluded from Fax Transmission

Any document to be filed with Trademark Trial and Appeal Board, including the notice of *ex parte* appeal, will not be accepted by fax transmission.

Any documents which include specimens, drawings or certifications or certified copies of foreign registrations or court orders, etc., will also not be accepted by fax transmission. Thus, the following documents will not be accepted by fax:

Trademark Applications;
Responses to Office Actions and Other Submissions which Include Specimens of Use and/or Drawings;
Section 8 Affidavits or Declarations;
Renewal Applications;
Statements of Use;
Amendments to Allege Use;
Certifications or Certified Copies of Foreign Registrations, and renewals thereof;
Section 7 Requests to Amend the Mark in a Registration;
Section 7 Applications for Voluntary Surrender of a Registration; and
Certified Copies of Court Orders.

When any trademark document explicitly excluded from the fax transmission procedure is received in the PTO via fax transmission, the document will not be considered as having been filed. The sender will be notified that the paper was improperly transmitted by fax. It is impermissible to file papers by fax and submit the supporting exhibits by mail.

The fax machines will be attended between the business hours of 8:30 a.m. and 5:00 p.m., East Coast Time, Monday through Friday, excluding holidays. Although the fax machines may normally be accessed 24 hours a day, there may be times, even during business hours, when reception is not possible due to equipment failure or maintenance requirements. Accordingly, persons transmitting documents by fax are cautioned against relying on the availability of this service near the end of response periods or other deadlines.

A fax machine has been installed in the TMEO and in the A/C TM. The corresponding fax and telephone numbers are as follows:

Location	Fax No.	Phone No.
TMEO	(703) 308-0429	(703) 308-0928
A/C TM	(703) 557-8263	(703) 557-3061

Submissions by facsimile transmission to the TMEO or A/C TM should be transmitted to the location for which they are intended. Fax transmissions regarding trademarks will not be deemed to have been filed in the PTO, and will not be considered, if transmitted to any fax machines other than those identified above.

The Office will not formally acknowledge receipt of documents transmitted by fax. The Office facsimile machine will usually confirm to the sending unit that the transmission is complete.

Effect of Filing by Fax

Certain trademark papers and fees required to be filed in the PTO will be considered filed if they are transmitted to one of the above fax numbers. The date of receipt is the date that the transmission is completed as indicated by the date shown on the Office's facsimile transmission activity report. If that date is a Saturday, Sunday or Federal holiday within the District of Columbia, the document will be considered to have been filed on the next business day.

Papers transmitted by fax may include a certificate of facsimile transmission, certifying the date of transmission. In the event the facsimile transmitted paper is misplaced or lost in the PTO,

a copy of the paper, with Certificate of Facsimile Transmission attached thereto, will be evidence of filing by fax. The Certificate of Facsimile Transmission should be labeled as such and should appear on the paper or include a reference to the registration number or application serial number, and must include the following:

The date of facsimile transmission; and
The signature of the person certifying that the document is being facsimile transmitted on a certain date.

The Certificate of Facsimile Transmission should also include the fax number to which the transmission is directed. The person signing the Certificate should have a reasonable basis to expect that the entire paper will be transmitted by fax on or before the date indicated.

When possible, the Certificate should appear on the paper being transmitted. An example of a preferred Certificate of Facsimile Transmission for use with the paper being transmitted is as follows:

CERTIFICATE OF FACSIMILE TRANSMISSION

I hereby certify that this paper for <reg. or ser. no.> is being facsimile transmitted to the Patent and Trademark Office fax number _____ on the date shown below.

Type or print name of person signing certificate

Signature

Date

If the Certificate of Facsimile Transmission is presented on a separate paper, it *must* identify the application or registration to which it relates.

In the event that the facsimile transmission is misplaced or lost in the Trademark Office, the submission will be considered filed as of the date of the transmission, if the party who transmitted the paper:

- 1) Informs the PTO of the previous facsimile transmission promptly after becoming aware that the submission has been misplaced or lost;
- 2) Supplies another copy of the previously transmitted submission with the Certificate of Transmission; and
- 3) Supplies a copy of the sending unit's report confirming transmission of the submission in question.

Items one through three above must be supported by an affidavit or declaration under § 2.20. The required evidence should be directed to the area in the Office where the misplaced or lost document was intended to be filed, e.g., the Law Office or Post Registration.

If all criteria above cannot be met, the only remedy available is a petition to the Commissioner comprised of a verified statement which attests on a personal knowledge basis to the previously timely transmission.

The above procedures for establishing that a misplaced or lost submission was filed in the PTO are *not* available for those submissions enumerated as exceptions to the 37 CFR 1.8 Certificate of Mailing procedures.

Requirements for Filing by Fax

- Each facsimile transmitted document must be legible.
- Each transmission should have a cover sheet which includes: the number of pages, and the name, the address, the fax number and the telephone number of the transmitting party.
- The preferred size of the document being transmitted is 8 1/2 inches by 11 inches, letter size or A4 paper. However, in no event will the Office accept a document being transmitted that is larger than 8 1/2 inches by 14 inches.
- Each transmission must be limited to papers relating to a single trademark application or registration. The application serial number, if one has been assigned, or the registration number must be referenced on each page of the transmission. If a serial number has not yet been assigned to an application, each page of the transmission must bear the name of the applicant and an identifier of the mark. The Office strongly recommends that applicants wait, if possible, until a serial number is assigned before filing a related document by fax.

• The document that is used as the original for the facsimile transmission must have an original signature and should be retained by the sender as evidence of the content of the facsimile transmission.

PARTIES SHOULD NOT SUBMIT BY MAIL THE ORIGINAL OR ADDITIONAL COPIES OF THE DOCUMENT TRANSMITTED BY FAX, UNLESS SPECIFICALLY REQUESTED BY THE OFFICE.

Jan. 15, 1991

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1123 TMOG 18]

(243) New Numbers for Filing of Certain Trademark Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmission

On February 12, 1991, the Trademark Examining Operation (TMO) and the Office of the Assistant Commissioner for Trademarks implemented a pilot program to study the feasibility of accepting certain trademark documents by facsimile transmission (fax). See the *Trademark Official Gazette* notice at 1123 TMOG 18 (Feb. 12, 1991) regarding documents which may now be filed by fax transmission, documents which are excluded from fax transmission and the requirements for filing by fax in connection with this program.

The fax number for transmitting documents to the TMO has changed. For the purpose of accepting documents which are permitted to be filed by fax with the TMO, three fax machines are now located in the Trademark Services Division of the Office. Their fax numbers are as follows:

(703) 308-9096
(703) 308-9097
(703) 308-9098

The fax machines in the Trademark Services Division are the only machines in the Trademark Examining Operation designated for the acceptance of documents which are permitted to be filed by fax. Therefore, in order to file relevant documents by fax with the TMO, one of the above numbers must be used.

The fax number for the Office of the Assistant Commissioner for Trademarks, (703) 557-8263, is unchanged.

May 9, 1991

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1127 TMOG 36]

(244) Filing of Facsimile Transmissions of Certain Trademark Papers

On February 12, 1991, the Trademark Examining Groups (TMEG) and the Office of the Assistant Commissioner for Trademarks implemented a pilot program to study the feasibility of accepting certain trademark documents by facsimile transmission (fax). (See the *Trademark Official Gazette* notice at 1123 TMOG 18 (Feb. 12, 1991) regarding documents which may now be filed by fax transmission, documents which are excluded from fax transmission and the requirements for filing by fax in connection with this program. See also the *Trademark Official Gazette* notice at 1127 TMOG 36 (June 11, 1991) regarding new fax numbers for filing documents by facsimile transmission.)

Although certain documents are excluded from fax transmission, facsimile copies, like any other copies, which are mailed, hand-delivered or deposited with the Office pursuant to Rule 1.6(c), 37 C.F.R. §1.6(c), may be filed in place of original documents. In such cases, the Office will not require submission of the original document and, in fact, discourages such practice. Facsimile copies of papers required to be certified or those requiring an original signature will not be accepted.

Jan. 8, 1992

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

[1135 TMOG 44]

(245) Trademark Mail

Mail or packages destined for Trademark organizations may be sent through the United States Postal Service, a courier service, or hand carried to the office.

With the recent move of the PTO's trademark operations to the South Tower building, it has come to our attention that documents are being delayed as a result of trademark users mailing documents to the street address of the South Tower building. Mail which is addressed in this manner will not be delivered by the Postal Service. Instead, the mail is forwarded to the Post Office in Washington, DC and then delivered to the PTO Mail Room, which is Crystal Plaza 2.

All mail related to Trademarks should be sent to the following address:

Commissioner of Patent and Trademarks
Washington, DC 20231

The PTO has established special boxes for expedited processing and distribution of specific types of documents. The following special boxes have been established for Trademark-related documents:

Box TRADEMARK - APPLICATION	- New trademark application and associated papers and fees
Box 9	- Coupon order for copies of U.S. patents and trademarks
Box 10	- Orders for certified copies of patent and trademark applications.
Box ITU	- All intent to use documents, excluding the initial application and amendments to alleged use

Documents being sent to one of these special boxes should be addressed as follows:

Box
Commissioner of Patents and Trademarks
Washington, DC 20231

Please bear in mind these boxes are designated to handle a particular type of document(s), and procedures are in effect to ensure proper handling of that type document. Therefore, you should not include documents other than those designated for the particular box in the envelope since those documents may be delayed in processing.

Packages or envelopes sent by courier or delivery service should be delivered to the PTO Mail Room at the following address:

Crystal Plaza 2 Building, Room 1A01
2011 Jefferson Davis Highway
Arlington, Va. 22202

To ensure documents receive appropriate and timely processing, do not have mail sent or packages delivered to the South Tower Building.

Feb. 11, 1992

THERESA A. BRELSFORD
*Assistant Commissioner for
Public Services and Administration*

[1136 TMOG 22]

**(246) Changes in How Papers May be Filed
in the Patent and Trademark Office**

Beginning April 21, 1992, an improved service will be offered to people who wish to file papers directly with the Patent and Trademark Office (PTO) by extending the hours of operation for the Attorneys' Window located in Room 1B03 of Crystal Plaza Building 2, Arlington, Virginia. The current hours of operation are from 8:30 a.m. to 5:00 p.m., Monday through Friday, except Federal holidays within the District of Columbia. The change will extend the hours of operation until 12:00 midnight on Monday through Friday, except holidays, on a trial basis. If, after six months, usage does not warrant retaining operations until midnight, the hours of operation will be reduced.

This change will provide walk-up, personalized service to firms and individuals who are filing documents with the PTO. The PTO will continue to stamp postcard-type receipts to acknowledge the receipt of papers filed at the Attorneys' Window.

Also, effective on April 21, 1992, the PTO is discontinuing the use of drop boxes in the lobby of Crystal Plaza Building 3, Arlington, Virginia, and at the main entrance of the Department of Commerce Building, Washington, D.C. (37 CFR 1.6(c)) as means for receiving papers.

These changes will provide improved services with respect to receipt and processing of documents while, at the same time, overcoming problems with the present arrangement.

Problems encountered with the present arrangement for the drop boxes have occasionally made it difficult to determine the dates of actual deposit of papers. For example, there have been many incidents of papers being found outside of the drop boxes (e.g., on the floor of the main lobby of the Department of Commerce Building, on the guard's desk, on a nearby table, etc.). On occasion, the PTO and/or filers have been denied access to the drop box at the Department of Commerce by building security guards due to a special event taking place in the lobby.

Provisions are also available for filing papers through the use of the certificate of mailing (37 CFR 1.8) and the Express Mail (37 CFR 1.10) procedures.

March 17, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1137 TMOG 7]

**(247) Department of Commerce
Patent and Trademark Office
37 CFR Part 1 and Part 10**

[Docket No. 920671-2171]
RIN 0651-AA55

**Changes in Signature and Filing Requirements for
Correspondence Filed in the Patent and Trademark Office**

Agency: Patent and Trademark Office, Commerce

Action: Notice of Proposed Rulemaking

Summary: The Patent and Trademark Office (Office) is proposing to amend the rules of practice in patent and trademark cases to: specify the types of correspondence which would no longer require original signatures; provide for facsimile transmission of certain correspondence to the Office; discontinue use of the drop box at Crystal Plaza Building 3 and at the Department of Commerce Building in Washington, D. C.; and clarify other provisions with respect to practice before the Office.

Dates: Written comments must be received on or before Oct. 13, 1992 to ensure consideration. An oral hearing will not be conducted.

Addresses: Address written comments to the Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231, marked to the attention of Abraham Hershkovitz. Comments may be sent by facsimile to the attention of Abraham Hershkovitz at (703) 305-8825.

For Further Information Contact: Abraham Hershkovitz by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Office of the Assistant Commissioner for Patents, Box DAC, Washington, D.C. 20231.

Supplementary Information: The specific revisions proposed are discussed below:

(1) Types of correspondence no longer requiring original signatures (§ 1.4)

The phrase "correspondence" is proposed to be utilized since the terms "papers", "letters" and "fees" all fall within the generic definition of "correspondence". Prosecution of some applications has been significantly delayed in the past by the Office requirement that all responses be personally signed. That requirement for a personal signature would prevent the Office from accepting the filing of certain correspondence by facsimile transmission as explained in the discussion of proposed § 1.6(d).

It is therefore proposed that § 1.4(d) be added to specify the types of correspondence which require personal signatures and the manner in which correspondence should be signed. The Office will accept copies of correspondence which do not require an original handwritten signature, including photocopies or facsimile transmissions. For example, a photocopy or facsimile transmission of an amendment signed by the attorney may be submitted to the Office. However, a photocopy or any other reproduction of a signature may not be affixed, by anyone other than the person whose signature is being reproduced, to correspondence requiring a signature. Correspondence submitted to the Office with original signatures should be submitted with signatures in a color of ink different from the printing on the paper so that the Office may easily recognize that the correspondence has been personally signed. Correspondence bearing an original signature, if not submitted to the Office, should be retained by applicants as evidence of proper execution in the event that questions arise as to the authenticity of the photocopy or facsimile-transmitted correspondence. If a question of authenticity arises, the Office may require submission of the correspondence bearing the original signature.

Correspondence submitted in an application filed under the Patent Cooperation Treaty often require an original handwritten signature either by the treaty or the regulations under the treaty. Other examples where original signatures will continue to be required are in patent interference proceedings, enrollment and disciplinary investigations and disciplinary proceedings. Proposed § 1.4(e) identifies the types of correspondence which will continue to require original signatures. Copies, including photocopies or facsimile transmissions, of correspondence which require an original handwritten signature will not be accorded a filing date and may be disposed of. (See § 10.18 for signature requirements of a practitioner). Furthermore, when certified documents must be filed, such as a certified copy of a foreign patent application, pursuant to 35 U.S.C. 119; a certified copy of a foreign trademark registration, pursuant to 15 U.S.C. 1126(e); a certified copy of a final court order, pursuant to 15 U.S.C. 1119; or a certified copy of a U.S. trademark registration, only the original certification is acceptable for filing in the Office. However, this requirement for an original certification of documents does not apply to certifications such as required under §§ 1.8, 1.10 and 1.97(e). The phrase "personal signature" and "personally signed" as used in this section refers to an original handwritten signature.

(2) Identification of applications (§ 1.5)

Section 1.5(a) is proposed to be amended to make reference to the certificate procedure under § 1.8 consistent with the newly proposed title for § 1.8.

(3) Receipt of correspondence (§ 1.6)

A descriptive heading is proposed to be added to each paragraph of § 1.6 to identify the content of that paragraph.

The phrase "correspondence" is proposed to be utilized since the term "papers", "letters" and "fees" all fall within the generic definition of "correspondence".

Section 1.6(a) is proposed to be amended to clarify that correspondence transmitted by facsimile on weekends and Federal holidays within the District of Columbia, will be accorded the next business day as a receipt date.

Sections 1.6(b) and (c) are proposed to be amended to clarify that weekdays refer to any day except a Saturday, Sunday, or Federal holiday within the District of Columbia.

Section 1.6(c) is proposed to be amended to delete reference to the box locations in the lobby of Crystal Plaza Building 3, Arlington, Virginia and at the Department of Commerce Building in Washington, D.C. The use of the drop boxes was discontinued on April 21, 1992 and the hours of operation for the attorney's window were extended to midnight, the same hours the drop boxes were available. The public can now deposit correspondence with the Office and receive a receipt after normal business hours. See "Changes in How Papers May be Filed in the Patent and Trademark Office", 1137 *Off. Gaz. Pat. Office* 7 (April 7, 1992). Use of the drop boxes at Crystal Plaza Building 3 and Department of Commerce Building locations had caused problems for both the public and the Office. It occasionally had been difficult to determine the dates of actual deposit of correspondence in the boxes. On occasion, Office employees and/or members of the public had been denied access to the drop box at the Department of Commerce by building security guards due to a special event taking place at the Department. Additionally, there were instances of correspondence being found outside of the drop boxes (e.g., on the floor of the main lobby of the Department of Commerce Building, on the guard's desk, on a nearby table, etc.). As a result, on occasion, the Office lacked confidence in assigning correct dates of receipt to correspondence deposited in the boxes at Crystal Plaza Building 3 and at the Department of Commerce Building. Given these difficulties, and the fact that the necessity for these boxes is greatly diminished as a result of the facsimile transmission and certificate of transfer (formerly mailing) procedures, § 1.6(c) is proposed to be permanently amended by deleting reference to the drop boxes at Crystal Plaza Building 3 and the Department of Commerce Building. While this procedural change has already been implemented, the Office welcomes comments regarding the boxes before the procedure is finalized.

A new section 1.6(d) is proposed to be added to specify the types of correspondence which may be transmitted by facsimile and current § 1.6(d) is proposed to be redesignated as § 1.6(e). The widespread use of facsimile transmission and the resulting time saved in correspondence between applicants and the Office prompted the Office to establish a trial program to accept facsimile transmission of certain correspondence. The policy on "Filing of Certain Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmissions" was published at 1096 *Off. Gaz. Pat. Office* 30 (Nov. 15, 1988) and was supplemented in the notice "Filing of Certain Papers with the Board of Patent Appeals and Interferences by Facsimile Transmission" published at 1108 *Off. Gaz. Pat. Office* 15 (Nov. 14, 1989). A comparable policy for trademarks was announced at 1123 *Off. Gaz. Pat. Office* 18 (Feb. 12, 1991). In light of the success of the trial program, a policy on acceptance of facsimile transmission is proposed to be incorporated into § 1.6(d). The exceptions to the use of facsimile-transmitted correspondence have been reduced and are identified in proposed § 1.6(d)(1)-(8). The exceptions cover situations where the correspondence being transmitted are original documents or correspondence requiring original signatures as specified in proposed § 1.4 and situations where accepting a facsimile transmission would be unduly burdensome to the Office. As a courtesy, the Office will attempt to notify senders whenever a facsimile transmission received falls within one of these exceptions. Senders are cautioned against submitting such excepted correspondence by facsimile transmission since such correspondence will not receive a filing date or date of receipt in the Office, and are subject to disposal.

Drawings and other correspondence filed for the purpose of obtaining an application filing date will not be accorded a date of receipt if transmitted by facsimile. Formal drawings may not be filed by facsimile in patent applications because the quality of the drawings received by facsimile transmission is not of a quality sufficient to comply with the drawing requirements set forth in § 1.84. Applicants are therefore encouraged to submit by facsimile only informal drawings or proposed drawing corrections.

As to specimens and drawings in trademark cases, the proposed rule relaxes the requirements set out in the notice entitled "Filing of Certain Trademark Papers and Authorizations to Charge Deposit Accounts by Facsimile Transmission", 1123 *Off. Gaz. Pat. Office* 18 (Feb. 12, 1991). The proposed rule continues to prohibit the transmission by facsimile of the original application, the section 8 or section 9 affidavit, the statement of use or the amendment to allege use. However, the proposed rule permits the facsimile transmission of drawings or specimens in

response to an Office action. The same standards of drawing clarity and size apply to drawings received via facsimile. In a like manner, facsimile-transmitted specimens must be legible in order to be accepted and examined as specimens.

The date of receipt accorded to any correspondence permitted to be sent by facsimile transmission is the date the complete transmission is received by an Office facsimile unit, unless the transmission is completed on a Saturday, Sunday or Federal holiday within the District of Columbia. Correspondence for which transmission was completed on a Saturday, Sunday or Federal holiday within the District of Columbia, will be accorded a receipt date of the next succeeding day which is not a Saturday, Sunday or Federal holiday in the District of Columbia. As an example, correspondence sent by facsimile from California on a Friday at 8:45 p.m. is completely transmitted at 9:05 p.m. Pacific time. The complete transmission would be received in the Office around 12:05 a.m. Eastern time on Saturday. The receipt date accorded to the correspondence is the date of the following business day, which in this case, would be Monday.

(4) Certificate of Transfer procedure (§ 1.8)

The title of § 1.8 is proposed to be changed from Certificate of Mailing to the more generic Certificate of Transfer so as to include facsimile transmissions.

Section 1.8(a) presently prescribes procedures for the use of a certificate of mailing to file papers or fees in the Office by first class mail. The phrase "papers or fees" in § 1.8(a) is proposed to be changed to "correspondence" since both "papers" and "fees" fall within the generic definition of "correspondence". Paragraphs (a) and (b) of § 1.8 are proposed to be amended to include correspondence transmitted by facsimile. In the event that correspondence is filed by facsimile transmission, it is recommended that the sending facsimile machine generate a report confirming transmission for each transmission session. This report should be retained by the sender, along with the correspondence used as the original, as evidence of content and date of transfer. Paragraph (a)(2) of § 1.8 is proposed to be amended to include separate headings for correspondence which relate to patents, trademarks and disciplinary proceedings. The sequence of some of the paragraphs found in § 1.8 (a)(2) has been changed in order to have those paragraphs listed under the appropriate heading. The ability to use the Certificate of Transfer procedures has been expanded to the filing of an affidavit under section 15, subsection (3) of the Trademark Act, 15 U.S.C. 1065(3), the filing of a notice of election to proceed by civil action in an *inter partes* proceeding under 35 U.S.C. 141 or section 21(a)(1) of the Trademark Act, 15 U.S.C. 1071(a)(1), in response to another party's appeal to the Court of Appeals for the Federal Circuit, the filing of a notice and reasons of appeal under 35 U.S.C. 142 or a notice of appeal under section 21(a)(2) of the Trademark Act, 15 U.S.C. 1071 (a)(2), and the filing of a statement under 42 U.S.C. 2182 or 42 U.S.C. 2457(c).

Paragraph (a)(2)(vi) of § 1.8 is proposed to be redesignated as paragraph (a)(2)(viii) and amended to refer to section 14(1) or 14 (2) of the Trademark Act, 15 U.S.C. 1064, to conform with the numbering of the Trademark Law Revision Act of 1988. Other sections of paragraph (a)(2) of § 1.8 are proposed to be amended to identify the types of correspondence which will not receive the benefit of a certificate of transfer.

Paragraph (b) of § 1.8 outlines procedures to be followed to document the timely filing of correspondence in accordance with § 1.8(a) where such correspondence is not received by the Office. The phrase "correspondence or fees" in § 1.8(b) is proposed to be changed to "correspondence" since "fees" falls within the generic definition of "correspondence". One of the requirements of § 1.8(b) is that the party forwarding the correspondence or fee include a declaration, under §§ 1.68 or 2.20 of this chapter, attesting to the timely transfer. In order to be consistent with other sections in Parts 1 and 2 of this chapter, the practice under § 1.8(b) is proposed to be amended to permit a practitioner, as defined in § 10.1(r), to submit a statement rather than an oath or declaration under §§ 1.68 or 2.20 of this chapter.

New paragraph (c) of § 1.8 is proposed to be added to explicitly provide for additional evidence relating to the transfer of correspondence in accordance with paragraph (a) of this section. The Office may invoke this requirement where it is deemed appropriate to establish an actual date of mailing or transmission. See, e.g., *In re Klein*, 6 USPQ2d

1547 (Comm'r Pat. 1987), *aff'd sub nom. Klein v. Peterson*, 696 F. Supp. 695, 8 USPQ2d 1434 (D.D.C. 1988), *aff'd* 866 F.2d 412, 9 USPQ2d 1558 (Fed. Cir.) *cert. denied*, 490 U.S. 1091 (1989).

(5) Time for appeal or civil action (§ 1.304)

In section 1.304, paragraphs (a) and (c) are proposed to be amended to delete a statement that use of the certificate procedure under § 1.8 is prohibited so as to be consistent with proposed changes to § 1.8. It is also proposed to clarify a cross-reference to § 1.658 in paragraph (a).

(6) Submission of maintenance fees (§ 1.366)

Section 1.366(b) is proposed to be amended by deleting the words "of mailing" due to the proposed new title for § 1.8.

(7) Filing date of application for extension of patent term (§ 1.741)

Section 1.741(a) is proposed to be amended to refer to the proposed new title for the certificate procedure under § 1.8.

(8) Signature and certificate of practitioner (§ 10.18)

Section 10.18 is proposed to be modified to clarify signature requirements for correspondence signed by practitioners. The reference to § 1.4 of this chapter would make it apparent that copies, including photocopies or facsimile transmissions, of correspondence signed by practitioners will be accepted under appropriate circumstances.

(9) Misconduct (§ 10.23(c))

Section 10.23(c) is proposed to be amended to refer to the proposed new title for the certificate procedure under § 1.8 of this chapter.

Other Considerations

The proposed rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these proposed rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these proposed changes is to incorporate existing Office policy into the regulations, permit the filing of certain correspondence without an original signature and permit the filing of certain correspondence by facsimile transmission.

The Office has determined that this proposed rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individuals, industries, Federal, state or local government agencies, or geographic regions because most of the proposed changes reduce procedural burdens. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These proposed rule changes contain collection-of-information requirements subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, which have previously been approved by the Office of Management and Budget under Control Nos. 0651-0009 and 0651-0011.

List of Subjects 37 CFR Part 1

Administrative practice and procedure, Freedom of information, Inventions and patents, Reporting and record keeping requirements.

37 CFR Part 10

Administrative practice and procedure, Conflicts of interest, Courts, Inventions and patents, Lawyers.

For the reasons set out in the preamble, and pursuant to the authority contained in 35 U.S.C. 6, the Office proposes to amend 37 CFR Parts 1 and 10 as follows, wherein deletions are indicated by brackets ([]) and additions by arrows (►):

Part 1 - Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. In Section 1.4, the title is proposed to be revised and paragraphs (d)-(f) are proposed to be added to read as follows:

§ 1.4 Nature of correspondence ►and signature requirements◄

►(d) Each piece of correspondence prepared to be filed in a patent or trademark application, reexamination proceeding, patent file or trademark registration file, which requires a person's signature, must be personally signed in permanent ink by that person. The personally signed correspondence containing the original, handwritten signature, or a copy, such as a photocopy or facsimile transmission (§ 1.6(d)), of the personally signed correspondence may be filed in the Patent and Trademark Office, except as provided in paragraphs (e) and (f) of this section. If the personally signed correspondence is filed, the color of ink used for the signature should be different from the printing on the paper. In the event that a copy of the personally signed correspondence is filed, the personally signed correspondence should be retained as evidence of authenticity. If a question of authenticity arises, the Patent and Trademark Office may require submission of the personally signed correspondence. The phrase "personally signed" as used in this section means an original, handwritten signature.

(e) Correspondence requiring a signature and which relates to patent interference proceedings, enrollment and disciplinary investigations, disciplinary proceedings or international patent applications must be submitted with a personally signed, permanent ink signature.

(f) When a certified document must be filed, a copy, including a photocopy or facsimile transmission, of the certification is not acceptable.◄

3. Section 1.5(a) is proposed to be revised to read as follows:

§ 1.5 Identification of application, patent or registration.

(a) No correspondence relating to an application should be filed prior to when notification of the application number is received from the Patent and Trademark Office. When a letter directed to the Patent and Trademark Office concerns a previously filed application for a patent, it must identify on the top page in a conspicuous location, the application number (consisting of the series code and the serial number, e.g., 07/123,456), or the serial number and filing date assigned to that application by the Patent and Trademark Office, or the international application number of the international application. Any correspondence not containing such identification will be returned to the sender where a return address is available. The returned correspondence will be accompanied with a cover letter which will indicate to the sender that if the returned correspondence is resubmitted to the Patent and Trademark Office within two weeks of the mail date on the cover letter, the original date of receipt of the correspondence will be considered by the Patent and Trademark Office as the date of receipt of the correspondence. Applicants may use either the [certificate of mailing] ►Certificate of Transfer◄ procedure under § 1.8 or the Express Mail procedure under § 1.10 for resubmissions of returned correspondence if they desire to have the benefit of the date of deposit on the United States Postal Service. If the returned correspondence is not resubmitted

within the two-week period, the date of receipt of resubmission will be considered to be the date of receipt of the correspondence. The two-week period to resubmit the returned correspondence will not be extended. If for some reason returned correspondence is resubmitted with proper identification later than two weeks after the return mailing by the Patent and Trademark Office, the resubmitted correspondence will be accepted but given its date of receipt. In addition to the application number, all letters directed to the Patent and Trademark Office concerning applications for patent should also state "PATENT APPLICATION, " the name of the applicant, the title of the invention, the date of filing the same, and if known, the group art unit or other unit within the Patent and Trademark Office responsible for considering the letter and the name of the examiner or other person to which it has been assigned.

4. In section 1.6, the title is proposed to be revised, each paragraph is proposed to be defined by a separate heading, paragraphs (a)-(c) are proposed to be revised, paragraph (d) is proposed to be redesignated as paragraph (e) and revised and new paragraph (d) is proposed to be added to read as follows:

§ 1.6 Receipt of [letters and papers] ►correspondence◄**(a) ►Date of receipt and Express Mail date of deposit.**

Correspondence◄ [Letter and other papers] received in the Patent and Trademark Office [are] ►is◄ stamped with the date of receipt except where such [letters and papers are] ►correspondence is◄ filed in accordance with § 1.10 ►or transmitted by facsimile in accordance with paragraph (d) of this section. No correspondence is received in the Patent and Trademark Office on Saturdays, Sundays or Federal holidays within the District of Columbia. Correspondence◄ [Any such letters and papers] filed in accordance with § 1.10 will be stamped with the date of deposit as "Express Mail" with the United States Postal Service unless the date of deposit is a Saturday, Sunday or Federal holiday within the District of Columbia in which case the date stamped will be the next succeeding day which is not a Saturday, Sunday or Federal holiday within the District of Columbia. [No papers are received in the Patent and Trademark Office on Saturdays, Sundays, or Federal holiday within the District of Columbia.] ►Correspondence transmitted by facsimile to the Patent and Trademark Office on a Saturday, Sunday or Federal holiday within the District of Columbia will be stamped with the next succeeding day which is not a Saturday, Sunday or Federal holiday within the District of Columbia, as the date of receipt.◄

(b) ►Patent and Trademark Office Post Office pouch.◄

Mail placed in the Patent and Trademark Office pouch up to midnight on [weekdays, excepting] ►any day, except◄ Saturdays, Sundays and Federal [federal] holidays►within the District of Columbia◄, by the post office at Washington, D.C., serving the Patent and Trademark Office, is considered as having been received in the Patent and Trademark Office on the day it was placed in the pouch ►by the U.S. Postal Service◄.

(c) ►Correspondence delivered by hand.◄

In addition to being mailed►, correspondence may be◄ [or] delivered by hand during [office] hours►the Office is open to receive correspondence◄ [, letters and other papers may be deposited up to midnight in a box provided at the guard's desk at the lobby of building 3 of the Patent and Trademark Office at Crystal Plaza, Arlington, Virginia and at the main entrance (14th Street) of the Department of Commerce Building, Washington, D.C., on weekdays except Saturdays and Federal holidays, and all papers deposited therein are considered as received in the Patent and Trademark Office on the day of deposit].

(d) ►Facsimile transmission.

Except in the cases enumerated below, correspondence, including authorizations to charge a deposit account, may be transmitted by facsimile. The filing date accorded to the correspondence will be the date on which the complete transmission is received in the Patent and Trademark Office, unless that date

is a Saturday, Sunday, or Federal holiday within the District of Columbia. See § 1.6(a). To facilitate proper processing, each transmission session should be limited to correspondence to be filed in a single national application or other proceeding before the Patent and Trademark Office. The application number of a patent or trademark application, the control number of a reexamination proceeding, the patent number of a patent, or the registration number of a trademark should be entered as a part of the sender's identification on a facsimile cover sheet. Facsimile transmissions are not permitted and if submitted, may be disposed of, in the following situations:

- (1) Correspondence which must be filed with a personally signed permanent ink signature as specified in § 1.4(e);
- (2) Certified documents as specified in § 1.4(f);
- (3) Correspondence which cannot receive the benefit of the certificate of transfer as specified in § 1.8(a)(2)(i)-(xi);
- (4) Drawings submitted under §§ 1.81, 1.83-1.85, 1.152, 1.165 or 1.174;
- (5) A request for reexamination under § 1.510;
- (6) Correspondence to be filed in a patent application subject to a secrecy order under §§ 5.1-5.8 of this chapter and directly related to the secrecy order content of the application;
- (7) Requests for cancellation or amendment of a registration under section 7(e) of the Trademark Act, 15 U.S.C. 1057(e); and certificates of registration surrendered for cancellation or amendment under section 7(e) of the Trademark Act, 15 U.S.C. 1057(e);
- (8) Correspondence to be filed with the Trademark Trial and Appeal Board, except the notice of ex parte appeal.

(e) Interruptions in the U.S. Postal Service.◀

If interruptions or emergencies in the United States Postal Service which have been so designated by the Commissioner occur, the Patent and Trademark Office will consider as filed on a particular date in the Office any [paper or fee] ▶correspondence◀ which is:

- (1) Promptly filed after the ending of the designated interruption or emergency; and
- (2) Accompanied by a statement indicating that such [paper or fee] ▶correspondence◀ would have been filed on that particular date if it were not for the designated interruption or emergency in the United States Postal Service. Such statement must be a verified statement if made by a person not registered to practice before the Patent and Trademark Office.

5. Section 1.8 is proposed to be amended by revising the title and paragraphs (a) and (b) and by adding new paragraph (c) to read as follows:

§ 1.8 Certificate of [mailing] ▶transfer◀.

(a) Except in the cases enumerated below, [papers and fees] ▶correspondence◀ required to be filed in the Patent and Trademark Office within a set period of time will be considered as being timely filed if:

(1) [They are] ▶it is transferred prior to expiration of the set period of time by being:

(i) deposited with the U.S. Postal Service with sufficient postage as first class mail◀ addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231 [, and deposited with the U.S. Postal Service with sufficient postage as first class mail] ▶; and

(ii) transmitted by facsimile as set forth in § 1.6(d) to the Patent and Trademark Office◀ [prior to expiration of the set period:]; and

(2) [They] ▶It◀ also [include] ▶includes◀ a certificate for each [paper or fee] ▶piece of correspondence◀ stating the date of [deposit] ▶transfer◀. The person signing the certificate should have reasonable basis to expect that the correspondence would be [mailed] ▶transferred◀ on or before the date indicated. The actual date of receipt of the [paper or fee] ▶correspondence◀ will be used for all other purposes. This procedure does not apply to ▶, and the benefit of the date of transfer on the certificate will not be extended to,◀ the following:

▶Relative to Patents◀

(i) The filing of a national patent application specification and drawing or other [papers] ▶correspondence◀ for the purpose of obtaining an application filing date;

[(ii) The filing of trademark applications;]

▶(ii) The filing of correspondence in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail";◀

(iii) the filing of agreements between parties to an interference under 35 U.S.C. 135(c);

▶(iv) the filing of international applications for patent and all correspondence in international applications filed under chapter I and chapter II including the filing of documents and fees for entry in to the national stage, see § 1.491;

Relative to Trademarks

(v) The filing of trademark applications;◀

[(iv)] ▶(vi)◀ The filing of an affidavit showing that a mark is still in use or containing an excuse for nonuse under section 8 (a) or (b) or section 12(c) of the Trademark Act, 15 U.S.C. 1058(a), 1058(b), 1062(c);

[(v)] ▶(vii)◀ The filing of an application for renewal of a [mark] registration under section 9 of the Trademark Act, 15 U.S.C. 1059;

[(vi)] ▶(viii)◀ The filing of a petition to cancel a registration of a mark under section 14 [(a)] ▶, subsection (1)◀ or [(b)] ▶(2)◀ of the Trademark Act, 15 U.S.C. 1064 [(a), 1064(b)];

[(vii)] The filing of an affidavit under section 15, subsection (3) of the Trademark Act, 15 U.S.C. 1065;

(viii) The filing of a notice of election to proceed by civil action in an inter partes proceeding under 35 U.S.C. 141 or section 21(a)(1) of the Trademark Act, 15 U.S.C. 1071(a)(1), in response to another party's appeal to the Court of Appeals for the Federal Circuit;

(ix) The filing of a notice and reasons of appeal under 35 U.S.C. 142 or a notice of appeal under section 21(a)(2) of the Trademark Act, 15 U.S.C. 1071(a)(2);

(x) The filing of a statement under 42 U.S.C. 2182 or 42 U.S.C. 2457(c);

(xi) The filing of international applications for patent and all papers and fees relating thereto;

(xii) The filing of a paper in an interference which an examiner-in-chief orders to be filed by hand or "Express Mail"; and

(xiii) Papers filed in connection with a disciplinary proceeding under Part 10 of this subchapter.

(xiv) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of a statement of use under § 2.88 (15 U.S.C. 1051(d)).

(xv) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of a request under § 2.89 (15 U.S.C. 1051(d)), for an extension of time to file a statement of use under § 2.88 (15 U.S.C. 1051(d)).

(xvi) In an application under section 1(b) of the Trademark Act (15 U.S.C. 1051(b)), the filing of an amendment to allege use in commerce under § 2.76 (15 U.S.C. 1051(c)).]

▶(ix) In an application under section 1(b) of the Trademark Act, 15 U.S.C. 1051(b), the filing of an amendment to allege use in commerce under section 1(c) of the Trademark Act, 15 U.S.C. 1051(c); or the filing of a statement of use under section 1(d)(1) of the Trademark Act, 15 U.S.C. 1051(d)(1);

(x) In an application under section 1(b) of the Trademark Act, 15 U.S.C. 1051(b), the filing of a request under section 1(d)(2) of the Trademark Act, 15 U.S.C. 1051(d)(2), for an extension of time to file a statement of use under section 1(d)(1) of the Trademark Act, 15 U.S.C. 1051(d)(1); and

Relative to Disciplinary Proceedings

(xi) Correspondence filed in connection with a disciplinary proceeding under Part 10 of this subchapter.◀

(b) In the event that correspondence [or fees are] ▶is considered◀ timely filed ▶by being transferred◀ in accordance with paragraph (a) of this section, but not received in the Patent and Trademark Office, and the application is held to be abandoned or the proceeding dismissed, terminated, or decided with prejudice, the correspondence [or fee] will be considered timely if the party who forwarded such correspondence [or fee]:

(1) informs the Office of the previous [mailing] ►transfer◄ of the correspondence [or fee] promptly after becoming aware [of] ►that◄ the Office [action] ►has no evidence of receipt of the correspondence◄.

(2) supplies an additional copy of the previously [mailed] ►transferred◄ correspondence [or fee] and certificate, and

(3) includes a [declaration under § 1.68 or § 2.20] ►statement◄ which attests on a personal knowledge basis or to the satisfaction of the Commissioner to the previous timely [mailing] ►transfer. Such statement must be a verified statement if made by a person other than a practitioner as defined in § 10.1(r) of this chapter. If the transfer was by facsimile transmission, a copy of the sending unit's report confirming transmission may be used to support this statement.

(c) The Office may require additional evidence to determine if the correspondence was timely filed◄.

6. Section 1.304, paragraphs (a) and (c), are proposed to be revised as follows:

§ 1.304 Time for appeal or civil action.

(a) The time for filing the notice of appeal to the U.S. Court of Appeals for the Federal Circuit (§ 1.302) or for commencing a civil action (§ 1.303) is two months from the date of the decision of the Board of Patent Appeals and Interferences. If a request for reconsideration or modification of the decision is filed within the time period provided under § 1.197(b) or § 1.658 ►(b)◄, the time for filing an appeal or commencing a civil action shall expire two months after action on the request. In interferences, the time for filing a cross-appeal or cross-action expires:

(1) 14 days after service of the notice of appeal or the summons and complaint or

(2) two months after the date of decision of the Board of Patent Appeal and Interferences, whichever is later. The time periods set forth in this section are not subject to the provisions of §§ 1.136, 1.550(c) or § 1.645(a) or (b). The Commissioner may extend the time for filing an appeal or commencing a civil action

[(3)] for good cause shown if requested in writing before the expiration of the period for filing an appeal or commencing a civil action, or

[(4)] upon written request after the expiration of the period for filing an appeal or commencing a civil action upon a showing that the failure to act was the result of excusable neglect. [The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross-appeal. See § 1.8(a)(2)(ix).]

(c) If a defeated party to an interference has taken an appeal to the U.S. Court of Appeals for the Federal Circuit and an adverse party has filed notice under 35 U.S.C. 141 electing to have all further proceedings conducted under 35 U.S.C. 146 (§ 1.303(C)), the time for filing a civil action thereafter is specified in 35 U.S.C. 141. The time for filing a cross-action expires 14 days after service of the summons and complaint. [The certificate of mailing practice of § 1.8 is not available for filing a notice of appeal or cross appeal. See § 1.8(a)(2)(viii).]

7. Section 1.366(b) is proposed to be revised to read as follows:

§ 1.366 Submission of maintenance fees.

(b) A maintenance fee and any necessary surcharge submitted for a patent must be submitted in the amount due on the date the maintenance fee and any necessary surcharge are paid and may be paid in the manner set forth in § 1.23 or by an authorization to charge a deposit account established pursuant to § 1.25. Payment of a maintenance fee and any necessary surcharge or the authorization to charge a deposit account must be submitted within the periods set forth in § 1.362(d), (e) or (f). Any payment or authorization of maintenance fees and surcharges filed at any other time will not be accepted and will not serve as a payment of the maintenance fee except insofar as a delayed payment of the maintenance fee is accepted by the Commissioner in an expired patent pursuant to a petition filed under § 1.378. Any

authorization to charge a deposit account must authorize the immediate charging of the maintenance fee and any necessary surcharge to the deposit account. Payment of less than the required amount, payment in a manner other than that set forth in § 1.23, or the filing of an authorization to charge a deposit account having insufficient funds will not constitute payment of a maintenance fee or surcharge on a patent. The certificate [of mailing] procedures of either § 1.8 or § 1.10 may be utilized in paying maintenance fees and any necessary surcharges.

8. Section 1.741, paragraph (a), is proposed to be revised to read as follows:

§ 1.741 Filing date of application

(a) The filing date of an application for extension of patent term is the date on which a complete application is received in the Patent and Trademark Office or filed pursuant to the "Certificate of [Mailing] ►Transfer◄" provisions of 37 CFR 1.8 or "Express Mail" provisions of 37 CFR 1.10

Part 10-Representation of others before the Patent and Trademark Office

9. The authority citation for 37 CFR Part 10 would continue to read as follows:

Authority: 5 U.S.C. 500; 15 U.S.C. 1123; 35 U.S.C. 6, 31, 32, 41.

10. Section 10.18, is proposed to be revised to read as follows:

§ 10.18 Signature and certificate of practitioner.

(a) [Every paper] ►Except where a copy, including a photocopy or facsimile transmission, of a personally signed piece of correspondence is permitted to be filed pursuant to § 1.4 of this chapter, every piece of correspondence◄ filed by a practitioner ►on behalf of himself or herself or◄ representing an applicant or ►a◄ party to a proceeding in the ►Patent and Trademark◄ Office must bear the signature of, and be personally signed by, such practitioner except ►for correspondence◄ [those papers] which [are] ►is◄ required to be signed by the applicant or party. The signature of ►a◄ practitioner [to] ►on correspondence◄ [a paper] filed by him or her, ►regardless of whether the correspondence has an original, handwritten signature or is a copy, including a photocopy or facsimile transmission, of the personally signed correspondence,◄ constitutes a certificate that:

(1) The [paper] ►correspondence◄ has been read by the practitioner;

(2) The [paper's] filing ►of the correspondence◄ is authorized;

(3) To the best of his or her knowledge, information, and belief, there is good ground to support the [paper] ►correspondence◄, including any allegations of improper conduct contained or alleged therein; and

(4) It is not interposed for delay.

(b) Any practitioner knowingly violating the provisions of this section is subject to disciplinary action. See § 10.23(c)(15).

11. Section 10.23, paragraph (c)(9), is proposed to be revised to read as follows:

§ 10.23 Misconduct

(c) * * *

(9) Knowingly misusing a certificate of [mailing] ►transfer◄ under § 1.8 of this [subchapter] ►chapter◄ or a certificate of "Express Mail" under § 1.10 of this [subchapter] ►chapter◄.

Aug. 4, 1992

DOUGLAS B. COMER
*Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks*

[1142 TMOG 8]

(248)

Unpaid Fee Checks

Beginning Dec. 1, 1987, the Office will change the procedure for handling fee checks of attorneys and agents that are returned to the Office unpaid. Presently, when a check submitted as payment for an application, a processing, an issue or any other fee is returned to the Office unpaid, the Office of Finance sends a letter to the attorney or agent who represents the applicant, or to the applicant if unrepresented by an attorney or agent, enclosing the check and calling attention to the fact that the check was returned unpaid. Beginning Dec. 1, 1987, the Office of Finance will send a copy of its letter to the applicant if the letter is addressed to an attorney or agent. The prohibition of 37 CFR §§ 1.33 and 2.18 against double correspondence is waived in view of the submission of a check that is returned unpaid to the Office.

A registered patent attorney or agent who repeatedly submits checks that are returned unpaid through no fault of the bank may expect to have the matter referred to the Office of Enrollment and Discipline.

Oct. 5, 1987.

DONALD W. PETERSON,
Deputy Commissioner.

[1083 TMOG 7]

(249)

Helpful Hints

- **Expediting Processing Trademark Assignments** — As noted in our statistics we are currently running behind in processing trademark assignment documents. We are working to eliminate the backlog in this area. We have recently eliminated a backlog in patent assignment processing. The following helpful hints are offered to aid us in eliminating backlogs and to allow us to provide better service for all assignment processing:

Many individuals are submitting assignment documents and requests for assignment services, together with application prosecution papers, directly to the examiner. Often, these requests get placed in the file and are not forwarded to the assignment area for handling. Please send all assignment documents and requests through the mailroom in order that they may be properly routed to the assignment area.

Please separate requests for certified copies of assignments from requests for other services including requests for certified copies of other documents. Certification of assignment documents is not performed by the same individuals as certification of other documents.

- **Expediting Handling of Trademark Applications** — To facilitate processing of new trademark applications, place them in a separate envelope apart from all other mail. Identify on the outside of the envelope "TRADEMARK APPLICATION ONLY." More than one new trademark application may be placed in the same envelope. Do not place any papers in the envelope other than those related to the new trademark applications.

Mar. 7, 1988.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1088 TMOG 8]

(250) Weekly Summaries of Trademark Trial and Appeal Board Final Decisions

The Patent and Trademark Office will begin publishing, in each issue of the Trademark Official Gazette, a weekly summary of final decisions issued by the Trademark Trial and Appeal Board. Publication of the summary is being undertaken on a discretionary basis, as a courtesy to interested members of the public.

Mar. 21, 1988.

JEFFREY M. SAMUELS,
*Assistant Commissioner
for Trademarks.*

[1091 TMOG 6]

(251) Filing Receipt for Trademark Applications

Effective immediately, the Trademark Examining Operation will replace its existing "FILING RECEIPT FOR TRADEMARK APPLICATIONS," PTO Form 100 (Rev. 8/78), with a filing receipt using a new format. The revised filing receipt will be printed on a single sheet of 8 1/2" x 11" paper and will contain information regarding the mark, applicant, International and U.S. classes, goods and/or services, and dates of use. If all of the information relating to a new application cannot be printed on the 8 1/2" x 11" filing receipt, it will be noted that additional information was contained in the application but was not printed. The addressee's name and address will be printed on the back of the filing receipt.

Sept. 6, 1988

JEFFREY M. SAMUELS,
*Assistant Commissioner
for Trademarks.*

[1095 TMOG 6]

(252) Service of Process and Testimony of Employees of the Patent and Trademark Office and Production of Documents in Legal Proceedings

The Patent and Trademark Office (PTO) is adding Parts 15 and 15a to Title 37 of the Code of Federal Regulations. Part 15 concerns service of process on the Commissioner, the Patent and Trademark Office, and employees of the Patent and Trademark Office in their official capacity. Part 15a concerns the testimony of PTO employees regarding official matters and the production of official documents in legal proceedings. Parts 15 and 15a were effective upon publication in the Federal Register. 54 FR 3976-8 (Jan. 26, 1989).

In addition, §§ 1701 and 1701.01 of the Manual of Patent Examining Procedure and §§ 1801 and 1801.01 of the Trademark Manual of Examining Procedure are amended, as indicated below, effective immediately.

Parts 15 and 15a, §§ 1701 and 1701.01 of the Manual of Patent Examining Procedure and §§ 1801 and 1801.01 of the Trademark Manual of Examining Procedure are published in this notice as a convenience to the public. In addition to these materials, the Patent and Trademark Office alerts the public to its position with respect to *Standard Packaging Corp. v. Curwood, Inc.*, 365 F. Supp. 134, 180 USPQ 234 (N.D. Ill. 1973). In the past, parties have attempted, based on *Standard Packaging*, to obtain answers to questions which the Patent and Trademark Office has regarded to be improper. While the Patent and Trademark Office believes *Standard Packaging* accurately states the law, the Office believes that the court misapplied the law to the precise questions in issue. Accordingly, the Office agrees with the Federal Circuit's observation in *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 432, 8 USPQ 2d 1853, 1857 (Fed. Cir. 1988), that there is considerable doubt whether *Standard Packaging* was correctly decided. The Patent and Trademark Office will not permit examiners to answer questions similar to those which the *Standard Packaging* court found acceptable.

**Department of Commerce
Patent and Trademark Office
37 CFR Parts 15 and 15a**

[Docket No. 9106-9006]

**Service of Process and Testimony of
Employees of the Patent and Trademark
Office and Production of
Documents in Legal Proceedings**

Agency: Patent and Trademark Office.

Action: Final rule.

Summary: The Patent and Trademark Office is adding 37 CFR Parts 15 and 15a to supplement 15 CFR Parts 15 and 15a. These new parts prescribe policies and procedures to be followed with respect to service of process on the Patent and Trademark Office, the Commissioner of Patents and Trademarks, and employees of the Office, the testimony of Office employees regarding official matters, and the production of official documents in legal proceedings. These regulations serve as a statement of Office policy and provide comprehensive guidelines for the Office and its employees, outside agencies, and other persons regarding the appropriate procedures for service of process, testimony, and production of documents.

Effective date: Jan. 26, 1989.

For Further Information Contact: Associate Solicitor John W. Dewhirst by mail at Box 8, U.S. Patent and Trademark Office, Washington, D.C. 20231 and by phone at (703) 557-4035.

Supplementary Information: These regulations are designed to supplement, and be construed consistent with, 15 CFR Parts 15 and 15a. The regulations in Part 15a state the views of the Office with respect to the permissible scope of testimony which may be given by Office employees in connection with their performance of quasi-judicial patent and trademark matters. These Office views are consistent with *United States v. Morgan*, 313 U.S. 409, 422 (1941); *Western Electric Co., Inc. v. Piezo Technology, Inc. v. Quigg*, No. 88-1216, 860 F.2d 428, 8 USPQ 2d 1853 (Fed. Cir. Nov. 1, 1988); *In re Mayewsky*, 162 USPQ 86, 189 (E.D. Va. 1969), and *Shaffer Tool Works v. Joy Mfg. Co.*, 67 USPQ 170 (S.D. Tex. 1970).

Because these regulations concern agency management and personnel, they are not rules or regulations within the meaning of section 1(a) of Executive Order 12291, and they are not subject to the requirements of that Order. Accordingly, no preliminary or final regulatory impact analysis has to be or will be prepared.

These regulations, relating to agency management and personnel, are exempt from all requirements of section 553 of the Administrative Procedure Act [5 USC 553] {including a delayed effective date and therefore will be effective immediately upon publication in the Federal Register.

Because a notice of proposed rule making and an opportunity for public comments are not required to be given for these regulations by section 553 of the APA, or by any other law, no regulatory flexibility analysis has to be or will be prepared for purposes of the Regulatory Flexibility Act [5 U.S.C. 603(a) and 604(a)].

This final rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

This rule does not contain collections of information for purposes of the Paperwork Reduction Act.

List of subjects in 37 CFR Parts 15 and 15a: Attorneys, Administrative practice and procedure, Courts, Government employees.

For the reasons set forth in the preamble, 37 CFR is amended as follows:

1. Part 15 is added to read as follows:

**Part 15
Service of Process**

Sec.

15.1 Scope and purpose

15.2 Definitions

15.3 Acceptance of service of process

Authority: 5 U.S.C. 301; 15 U.S.C. 1501, 1512, 1513, 1515, and 1518; Reorganization Plan No. 5 of 1950; 44 U.S.C. 3101; 15 CFR 15.2(a).

§ 15.1 Scope and Purpose.

(a) This part supplements 15 CFR Part 15 and sets forth the procedures to be followed when a summons or complaint is served on the Office or the Commissioner or an employee of the Office in his or her official capacity. This part is to be construed consistent with 15 CFR Part 15.

(b) This part is intended to ensure the orderly execution of the affairs of the Office and not to impede any legal proceeding.

(c) This part does not apply to subpoenas. The procedures to be followed with respect to subpoenas are set out in Part 15a of this Title.

(d) This part does not apply to service of process made on an Office employee personally on matters not related to official business of the Office or to the official responsibilities of the Office employee.

§ 15.2 Definitions.

For the purpose of this part:

(a) "Commissioner" means Assistant Secretary and Commissioner of Patents and Trademarks.

(b) "Legal proceeding" means a proceeding before a tribunal constituted by law, including a court, an administrative body or commission, or an administrative law judge or hearing officer.

(c) "Office" means Patent and Trademark Office.

(d) "Office employee" means any officer or employee of the Office.

(e) "Official business" means the authorized business of the Office.

(f) "Solicitor" means the chief legal officer of the Office or other Office employee to whom the Solicitor has delegated authority to act under this part.

§ 15.3 Acceptance of service of process

(a) Any summons or complaint to be served in person or by registered or certified mail or as otherwise authorized by law on the Office or the Commissioner or an Office employee in his or her official capacity, shall be served on the Solicitor or an Office employee designated by the Solicitor.

(b) Any summons or complaint to be served by mail may be addressed to Solicitor, P.O. Box 15667, Arlington, Va. 22215. Any summons or complaint to be served by hand may be delivered to the Office of the Solicitor.

(c) Any Office employee served with a summons or complaint shall immediately notify and deliver the summons or complaint to the Office of the Solicitor.

(d) Any Office employee receiving a summons or complaint shall note on the summons or complaint the date, hour, and place of service and whether service was by personal delivery or by mail.

(e) When a legal proceeding is brought to hold an Office employee personally liable in connection with an action taken in the conduct of official business, rather than liable in an official capacity, the Office employee by law is to be served personally with process. Service of process in this case is inadequate when made upon the Solicitor or the Solicitor's designee. Any Office employee sued personally for an action taken in the conduct of official business shall immediately notify and deliver a copy of the summons or complaint to the Office of the Solicitor.

(f) An Office employee sued personally in connection with official business may be represented by the Department of Justice at its discretion. See 28 CFR 50.15 and 50.16 (1987).

(g) The Solicitor or Office employee designated by the Solicitor, when accepting service of process for an Office employee in an official capacity, shall endorse on the Marshal's or server's return of service form or receipt for registered or certified mail the following statement: "Service accepted in official capacity only." The statement may be placed on the form or receipt with a rubber stamp.

(h) Upon acceptance of service or receiving notification of service, as provided in this section, the Solicitor shall take

appropriate steps to protect the rights of the Commissioner or Office employee involved.

2. Part 15a is added to read as follows:

Part 15a
Testimony by Employees and the Production
of Documents in Legal Proceedings

Sec.

15a.1 Scope

15a.2 Definitions

15a.3 Office policy

15a.4 Testimony or production of documents; general rule

15a.5 Testimony of Office employees in proceedings involving the United States

15a.6 Legal proceedings between private litigants

15a.7 Procedures when an Office employee receives a subpoena

Authority: 5 U.S.C. 301; 15 U.S.C. 1501, 1512, 1513, 1515, and 1518; Reorganization Plan No. 5 of 1950; 44 U.S.C. 3101; 15 CFR 15a.1(e) and 15a.2(f).

§ 15a.1 *Scope*

(a) This part supplements 15 CFR Part 15a and prescribes the policies and procedures of the Office with respect to the testimony of Office employees as witnesses in legal proceedings and the production of documents of the Office for use in legal proceedings pursuant to a request, order, or subpoena. This part is issued pursuant to 15 CFR 15a.1(e) and is to be construed consistent with 15 CFR Part 15a.

(b) This part does not apply to any legal proceeding in which an Office employee is to testify, while on leave status, as to facts or events that are in no way related to the official business of the Office.

(c) This part is intended to ensure the orderly execution of the affairs of the Office and not to impede any legal proceeding and in no way affects the rights and procedures governing public access to records pursuant to the Freedom of Information Act or the Privacy Act. See 15 CFR 15a.4 and 37 CFR 1.15.

§ 15a.2 *Definitions.*

For the purpose of this part:

(a) "Commissioner" means Assistant Secretary and Commissioner of Patents and Trademarks.

(b) "Demand" means a request, order, or subpoena for testimony or documents for use in a legal proceeding.

(c) "Document" means any record, paper, and other property held by the Office, including without limitation official patent and trademark files, official letters, telegrams, memoranda, reports, studies, calendar and diary entries, maps, graphs, pamphlets, notes, charts, tabulations, analyses, statistical or informational accumulations, any kind of summaries of meetings and conversations, film impressions, magnetic tapes, and sound or mechanical reproductions.

(d) "Legal proceeding" means a proceeding before a tribunal constituted by law, including a court, an administrative body or commission, an administrative law judge or hearing officer or any discovery proceeding in support thereof.

(e) "Office" means Patent and Trademark Office.

(f) "Office employee" means any officer or employee of the Office.

(g) "Official business" means the authorized business of the Office.

(h) "Solicitor" means the chief legal officer of the Office or other Office employee to whom the Solicitor has delegated authority to act under this part.

(i) "Testimony" means a statement given in person before a tribunal or by deposition for use before the tribunal or any other statement given for use before a tribunal in a legal proceeding, including an affidavit, declaration under 35 U.S.C. 25, or declaration under 28 U.S.C. 1746.

(j) "United States" means the Federal Government, its departments and agencies, and individuals acting on behalf of the Federal Government.

§ 15a.3 *Office policy.*

The Office policy is that its documents will not be voluntarily produced and Office employees will not voluntarily appear as witnesses or give testimony in a legal proceeding. The reasons for this policy include:

(a) To conserve the time of Office employees for conducting official business.

(b) To minimize the possibility of involving the Office in controversial or other issues which are not related to the mission of the Office.

(c) To prevent the possibility that the public will misconstrue variances between personal opinions of Office employees and Office policy.

(d) To avoid spending the time and money of the United States for private purposes.

(e) To preserve the integrity of the administrative process, minimize disruption of the decision-making process, and prevent interference with the Office's administrative functions.

§ 15a.4 *Testimony or production of documents; general rule*

(a) No Office employee shall give testimony concerning the official business of the Office or produce any document in any legal proceeding without the prior authorization of the Solicitor. Where appropriate, an Office employee may be instructed in writing by the Commissioner, Solicitor, or other appropriate Office employee not to give testimony or produce a document. Without prior approval, no Office employee shall answer inquiries from a person not employed by the Department of Commerce regarding testimony or documents subject to a demand or a potential demand under the provisions of this Part. All inquiries involving a demand or potential demand on an Office employee shall be referred to the Solicitor.

(b) A certified copy of a document, not otherwise available under Chapter I of this Title, will be provided for use in a legal proceeding upon written request and payment of applicable fees required by law.

(c)(1) *Request for testimony or document.* A request for testimony of an Office employee or document shall be mailed or hand-delivered to the Office of the Solicitor. The mailing address of the Office of the Solicitor is Box 8, Patent and Trademark Office, Washington, D.C. 20231.

(2) *Subpoenas.* A subpoena for testimony by an Office employee or a document shall be served in accordance with the Federal Rules of Civil or Criminal Procedure as appropriate, or applicable state procedure, and a copy of the subpoena shall be sent to the Solicitor.

(3) *Affidavit.* Every request and subpoena shall be accompanied by an affidavit or declaration under 28 U.S.C. 1746 or, if an affidavit or declaration is not feasible, a written statement setting forth the title of the legal proceeding, the forum, the requesting party's interest in the legal proceeding, the reasons for the request or subpoena, a showing that the desired testimony or document is not reasonably available from any other source, and if testimony is requested, the intended use of the testimony, a general summary of the testimony desired, and a showing that no document could be provided and used in lieu of testimony. The purpose of this requirement is to permit the Solicitor to make an informed decision as to whether testimony or production of a document should be authorized.

(d) Any Office employee who is served with a demand shall immediately notify the Office of the Solicitor.

(e) The Solicitor may consult or negotiate with an attorney for a party or the party, if not represented by an attorney, to refine or limit a demand so that compliance is less burdensome or obtain information necessary to make the determination required by paragraph (c) of this section. Failure of the attorney or party to cooperate in good faith to enable an informed determination to be made under this part may serve as the basis for a determination not to comply with the demand.

(f) A determination under this part to comply or not to comply with a demand is not an assertion or waiver of privilege, lack of relevance, technical deficiencies or any other ground for noncompliance. The Commissioner reserves the right to oppose any demand on any legal ground independent of any determination under this part.

§ 15a.5 Testimony of Office employees in proceedings involving the United States.

(a) An Office employee may not testify as an expert or opinion witness for any party other than the United States.

(b) When appropriate, the Solicitor may authorize an Office employee to give testimony as an expert or opinion witness on behalf of the United States. Expert or opinion testimony on behalf of the United States will not be authorized in any legal proceeding involving the validity or enforceability of a patent or registered trademark.

(c) Whenever, in any legal proceeding involving the United States, a request is made by an attorney representing or acting under the authority of the United States, the Solicitor will make all necessary arrangements for the Office employee to give testimony on behalf of the United States. Where appropriate, the Solicitor may require reimbursement to the Office of the expenses associated with an Office employee giving testimony on behalf of the United States.

§ 15a.6 Legal proceedings between private litigants

(a) Testimony by an Office employee and production of documents in a legal proceeding not involving the United States shall be governed by § 15a.4.

(b) If an Office employee is authorized to give testimony in a legal proceeding, the testimony, if otherwise proper, shall be limited to facts within the personal knowledge of the Office employee. An Office employee is prohibited from giving expert or opinion testimony, answering hypothetical or speculative questions, or giving testimony with respect to subject matter which is privileged. If an Office employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Office, that employee is further prohibited from giving testimony in response to questions which seek:

(1) Information about that employee's:

- (i) Background.
- (ii) Expertise.
- (iii) Qualifications to examine or otherwise consider a particular patent or trademark application.
- (iv) Usual practice or whether the employee followed a procedure set out in any Office manual of practice in a particular case.
- (v) Consultation with another Office employee.

(vi) Understanding of:

(A) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.

(B) Prior art.

(C) Registered subject matter, subject matter sought to be registered, or trademark application, registration, opposition, cancellation, interference or concurrent use file.

(D) Any Office manual of practice.

(E) Office regulations.

(F) Patent, trademark, or other law.

(G) The responsibilities of another Office employee.

(vii) Reliance on particular facts or arguments.

(2) To inquire into the manner in and extent to which the employee considered or studied material in performing the quasi-judicial function.

(3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

§ 15a.7 Procedures when an Office employee receives a subpoena.

(a) Any Office employee who receives a subpoena shall immediately forward the subpoena to the Office of the Solicitor. The Solicitor will determine the extent to which an Office employee will comply with the subpoena.

(b) If the Office employee is not authorized to comply with the subpoena, the Office employee shall appear at the time and place stated in the subpoena, produce a copy of Part 15a of Title

15 and a copy of this part, and respectfully refuse to provide any testimony or produce any document. *United States ex rel. Touhy v. Ragen*, 340 U.S. 462 (1951).

(c) When necessary or appropriate, the Solicitor will request assistance from the Department of Justice or a U.S. Attorney or otherwise assure the presence of an attorney to represent the interests of the Office or an Office employee.

DONALD J. QUIGG,
Assistant Secretary and
Commissioner of Patents
and Trademarks.

Dec. 23, 1988.

Revisions to §§ 1701 and 1701.01 of MPEP

§ 1701 Office personnel not to express opinion on validity or patentability of patent.

Every patent is presumed to be valid. 35 U.S.C. § 282, first sentence. Public policy demands that every employee of the Patent and Trademark Office refuse to express to any person any opinion as to the validity or invalidity of, or the patentability or unpatentability of any claim in any U.S. Patent, except to the extent necessary to carry out (a) examination of an application seeking to reissue the patent, (b) a reexamination proceeding to reexamine the patent, or (c) an interference involving the patent.

The question of validity or invalidity is otherwise exclusively a matter to be determined by a court. Members of the patent examining corps are cautioned to be especially wary of any inquiry from any person outside the Patent and Trademark Office, including an employee of another Government agency, the answer to which might indicate that a particular patent should not have issued.

When a field of search for an invention is requested, examiners should routinely inquire whether the invention has been patented in the United States. If the invention has been patented, no field of search should be suggested.

Employees of the Patent and Trademark Office, particularly patent examiners who examined an application which matured into a patent or a reissued patent or who conducted a reexamination proceeding, should not discuss or answer inquiries from any person outside the Patent and Trademark Office as to whether or not a certain reference or other particular evidence was considered during the examination or proceeding and whether or not a claim would have been allowed over that reference or other evidence had it been considered during the examination or proceeding. Likewise, employees are cautioned against answering any inquiry concerning any entry in the patent or reexamination file, including the extent of the field of search and any entry relating thereto. The record of the file of a patent or reexamination proceeding must speak for itself.

Practitioners can be of material assistance in this regard by refraining from making improper inquiries of members of the patent examining corps. Inquiries from members of the public relating to the matters discussed above must of necessity be refused and such refusal should not be considered discourteous or an expression of opinion as to validity or patentability.

§ 1701.01 Office personnel not to testify

- [Reprint: 37 CFR 15a.1
- 37 CFR 15a.2
- 37 CFR 15a.3
- 37 CFR 15a.4
- 37 CFR 15a.5
- 37 CFR 15a.6
- 37 CFR 15a.7]

It is the policy of the Patent and Trademark Office that its employees, including patent examiners, will not appear as witnesses or give testimony in legal proceedings, except under the conditions specified in 37 CFR Part 15a. Any employee who testifies contrary to this policy will be *dismissed or removed*. The reasons for this policy are set out in 37 CFR 15a.3.

Whenever an employee of the Patent and Trademark Office, including a patent examiner, is asked to testify or receives a subpoena, the employee shall immediately notify the Office of the Solicitor. Inquiries requesting testimony shall be also referred immediately to the Office of the Solicitor.

Patent examiners and other Patent and Trademark Office employees performing or assisting in the performance of quasi-judicial functions, are forbidden to testify as experts or to express opinions as to the validity of any patent.

Any individual desiring the testimony of an employee of the Patent and Trademark Office, including the testimony of a patent examiner or other quasi-judicial employee, must comply with the provisions of 37 CFR Part 15a.

A request for testimony of an employee of the Patent and Trademark Office should be made to the Office of the +

Solicitor at least *ten working days* prior to the date of the expected testimony.

If an employee is authorized to testify, the employee will be limited to testifying about facts within the employee's personal knowledge. Employees are prohibited from giving expert or opinion testimony. *Fischer & Porter Co. v. Corning Glass Works*, 61 F.R.D. 321, 181 USPQ 329 (E.D. Pa. 1974). Likewise, employees are prohibited from answering hypothetical or speculative questions. *In re Mayewsky*, 162 USPQ 86, 89 (E.D. Va. 1969) (deposition of an examiner must be restricted to relevant matters of fact and must avoid any hypothetical or speculative questions or conclusions based thereon); *Shaffer Tool Works v. Joy Mfg. Co.*, 167 USPQ 170 (S.D. Tex. 1970) (deposition of examiner should be limited to matters of fact and must not go into hypothetical or speculative areas or the bases, reasons, mental processes, analyses, or conclusions of the examiner in acting upon a patent application). Employees will not be permitted to give testimony with respect to subject matter which is privileged. Several court decisions limit testimony with respect to quasi-judicial functions performed by employees. Those decisions include *United States v. Morgan*, 313 U.S. 409, 422 (1941) (improper to inquire into mental processes of quasi-judicial officer or to examine the manner and extent to which the officer considered an administrative record); *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 8 USPQ 2d 1853 (Fed. Cir. 1988) (patent examiner may not be compelled to answer questions which probe the examiner's technical knowledge of the subject matter of a patent); *McCulloch Gas Processing Co. v. Department of Energy*, 650 F.2d 1216, 1229 (Temp. Emer. Ct. App. 1981) (discovery of degree of expertise of individuals performing governmental functions not permitted); *In re Nilssen*, 851 F.2d 1401, 7 USPQ 2d 1500 (Fed. Cir. 1988) (technical or scientific qualifications of examiners-in-chief are not legally relevant in appeal under 35 U.S.C. § 134 since board members need not be skilled in the art to render obviousness decision); *Lange v. Commissioner*, 352 F. Supp. 166, 176 USPQ 162 (D.D.C. 1972) (technical qualifications of examiners-in-chief not relevant in § 145 action).

In view of the discussion above, if an employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Patent and Trademark Office, the employee will not be permitted to give testimony in response to questions which seek:

- (1) Information about that employee's:
 - (A) Background.
 - (B) Expertise.
 - (C) Qualifications to examine or otherwise consider a particular patent or trademark application.
 - (D) Usual practice or whether the employee followed a procedure set out in any Office manual of practice (including the MPEP or TMEP) in a particular case.
 - (E) Consultation with another Office employee.
 - (F) Understanding of:
 - (i) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.
 - (ii) Prior art.
 - (iii) Registered subject matter, subject matter sought to be registered, or a trademark application, registration, opposition, cancellation, interference or concurrent use file.
 - (iv) Any Office manual of practice.
 - (v) Office regulations.
 - (vi) Patent, trademark, or other law.
 - (vii) The responsibilities of another Office employee.
 - (G) reliance on particular facts or arguments.

(2) To inquire into the manner in and extent to which the employee considered or studied material in performing a quasi-judicial function.

(3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

Any request for testimony addressed or delivered to the Office of the Solicitor shall comply with 37 CFR 15a.4(c). All requests must be in *writing*. The need for a subpoena may be obviated where the request complies with 37 CFR 15a.4(c) if the party requesting the testimony further meets the following conditions:

(1) The party requesting the testimony identifies the civil action or other legal proceeding for which the testimony is being taken. The identification shall include:

- (a) the style of the case,
- (b) the civil action number,
- (c) the district in which the civil action is pending,
- (d) the judge assigned to the case, and
- (e) the name, address, and telephone number of counsel for all parties in the civil action.

(2) The party agrees not to ask questions seeking information which is precluded by 37 CFR 15a.6(b).

(3) The party shall comply with applicable provisions of the Federal Rules of Civil Procedure, including Rule 30, and give ten working days notice to the Office of the Solicitor prior to the date a deposition is desired. Fifteen working days notice is required for any deposition which is desired to be taken between Nov. 15 and Jan. 15.

(4) The party agrees to notice the deposition at a place convenient to the Patent and Trademark Office. The Conference Room in the Office of the Solicitor is deemed to be a place convenient to the Office.

(5) The party agrees to supply a copy of the transcript of the deposition to the Patent and Trademark Office for its records.

Absent a written agreement meeting the conditions specified in paragraphs (1) through (5), a party must comply with the precise terms of 37 CFR 15a.4(c) and the Patent and Trademark Office will not permit a deposition without issuance of a subpoena.

* * * * *

Revisions to §§ 1801 and 1801.01 of TMEP

§ 1801 Office personnel not to express opinion on validity of registered trademark

A certificate of registration of a trademark on the Principal Register is prima facie evidence of the validity of the registration. 15 U.S.C. § 1057(b). Public policy demands that every employee of the Patent and Trademark Office refuse to express to any person any opinion as to the validity of any registered trademark, except to the extent necessary to carry out *inter partes* proceedings at the Trademark Trial and Appeal Board in cancellation and similar proceedings authorized by law.

The question of validity of a registered trademark is otherwise exclusively a matter to be determined by a court. Members of the trademark examining operation are cautioned to be especially wary of any inquiry from any person outside the Patent and Trademark Office, including an employee of another Government agency, the answer to which might indicate that a particular registration should not have been published or issued.

Employees of the Patent and Trademark Office, particularly trademark examining attorneys who examined an application should not discuss or answer inquiries from any person outside the Patent and Trademark Office as to whether or not a certain registration or other particular evidence was considered during the examination of the application or whether a trademark would have been published or registered if the registration or other evidence had been considered during the examination. Likewise, employees are cautioned against answering any inquiry concerning any entry in the trademark registration file, including the extent of the field of search and any entry relating thereto.

The record of the file of a trademark registration or inter partes proceedings before the Trademark Trial and Appeal Board must speak for itself.

Practitioners can be of material assistance in this regard by refraining from making improper inquiries of members of the trademark examining operation. Inquiries from members of the public relating to the matters discussed above must of necessity be refused and such refusal should not be considered discourteous or an expression of opinion as to validity of any registration.

§ 1801.01 Office personnel not to testify

[Reprint: 37 CFR 15a.1

37 CFR 15a.2

37 CFR 15a.3

37 CFR 15a.4

37 CFR 15a.5

37 CFR 15a.6

37 CFR 15a.7]

It is the policy of the Patent and Trademark Office that its employees, including trademark examining attorneys, will not appear as witnesses or give testimony in legal proceedings, except under the conditions specified in 37 CFR Part 15a. Any employee who testifies contrary to this policy will be dismissed or removed. The reasons for this policy are set out in 37 CFR 15a.3.

Whenever an employee of the Patent and Trademark Office, including a trademark examining attorney, is asked to testify or receives a subpoena, the employee shall immediately notify the Office of the Solicitor. Inquiries requesting testimony shall be also referred immediately to the Office of the Solicitor.

Trademark examining attorneys and other Patent and Trademark Office employees performing or assisting in the performance of quasi-judicial functions, are forbidden to testify as experts or to express opinions as to the validity of any registration.

Any individual desiring the testimony of an employee of the Patent and Trademark Office, including the testimony of a trademark examining attorney or other quasi-judicial employee, must comply with the provisions of 37 CFR Part 15a.

A request for testimony of an employee of the Patent and Trademark Office should be made to the Office of the Solicitor at least ten working days prior to the date of the expected testimony.

If an employee is authorized to testify, the employee will be limited to testifying about facts within the employee's personal knowledge. Employees are prohibited from giving expert or opinion testimony. *Fischer & Porter Co. v. Corning Glass Works*, 61 F.R.D. 321, 181 USPQ 329 (E.D. Pa. 1974). Likewise, employees are prohibited from answering hypothetical or speculative questions. *In re Mayewsky*, 162 USPQ 86, 89 (E.D. Va. 1969) (deposition of an examiner must be restricted to relevant matters of fact and must avoid any hypothetical or speculative questions or conclusions based thereon); *Shaffer Tool Works v. Joy Mfg. Co.*, 167 USPQ 170 (S.D. Tex. 1970) (deposition of examiner should be limited to matters of fact and must not go into hypothetical or speculative areas or the bases, reasons, mental processes, analyses, or conclusions of the examiner in acting upon an application). Employees will not be permitted to give testimony with respect to subject matter which is privileged. Several court decisions limit testimony with respect to quasi-judicial functions performed by employees. Those decisions include *United States v. Morgan*, 313 U.S. 409, 422 (1941) (improper to inquire into mental processes of quasi-judicial officer or to examine the manner and extent to which the officer considered an administrative record); *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 8 USPQ 2d 1583 (Fed. Cir. 1988) (patent examiner may not be compelled to answer questions which probe the examiner's technical knowledge of the subject matter of a patent); *McCulloch Gas Processing Co. v. Department of Energy*, 650 F.2d 1216, 1229 (Temp. Emer. Ct. App. 1981) (discovery of degree of expertise of individuals performing governmental functions not permitted); *In re Nilssen*, 851 F.2d 1401, 7 USPQ 2d 1500 (Fed. Cir. 1988) (technical or scientific qualifications of examiners-in-chief are not legally relevant in appeal under 35 U.S.C. 134 since board members need not be skilled in the art to render obviousness decision); *Lance v. Commissioner*, 352 F. Supp.

166, 176 USPQ 162 (D.D.C. 1972) (technical qualifications of examiners-in-chief not relevant in Sec. 145 action).

In view of the discussion above, if an employee is authorized to testify in connection with the employee's involvement or assistance in a quasi-judicial proceeding which took place before the Patent and Trademark Office, the employee will not be permitted to give testimony in response to questions which seek:

- (1) Information about that employee's:
 - (A) Background.
 - (B) Expertise.
 - (C) Qualifications to examine or otherwise consider a particular patent or trademark application.
 - (D) Usual practice or whether the employee followed a procedure set out in any Office manual of practice (including the MPEP or TMEP) in a particular case.
 - (E) Consultation with another Office employee.
 - (F) Understanding of:
 - (i) A patented invention, an invention sought to be patented, or patent application, patent, reexamination or interference file.
 - (ii) Prior art.
 - (iii) Registered subject matter, subject matter sought to be registered, or a trademark application, registration, opposition, cancellation, interference or concurrent use file.
 - (iv) Any Office manual of practice.
 - (v) Office regulations
 - (vi) Patent, trademark, or other law.
 - (vii) The responsibilities of another Office employee.
 - (G) Reliance on particular facts or arguments.
- (2) To inquire into the manner in and extent to which the employee considered or studied material in performing a quasi-judicial function.
- (3) To inquire into the bases, reasons, mental processes, analyses, or conclusions of that Office employee in performing the quasi-judicial function.

Any request for testimony addressed or delivered to the Office of the Solicitor shall comply with 37 CFR 15a.4(c). All requests must be in writing. The need for a subpoena may be obviated where the request complies with 37 CFR 15a.4(c) only if the party requesting the testimony further meets the following conditions:

- (1) The party requesting the testimony identifies the civil action or other legal proceeding for which the testimony is being taken. The identification shall include:
 - (a) the style of the case,
 - (b) the civil action number,
 - (c) the district in which the civil action is pending,
 - (d) the judge assigned to the case, and
 - (e) the name, address, and telephone number of counsel for all parties in the civil action.
- (2) The party agrees not to ask questions seeking information which is precluded by 37 CFR 15a.6(b).
- (3) The party shall comply with applicable provisions of the Federal Rules of Civil Procedure, including Rule 30, and give ten working days notice to the Office of the Solicitor prior to the date a deposition is desired. Fifteen working days notice is required for any deposition which is desired to be taken between Nov. 15 and Jan. 15.
- (4) The party agrees to notice the deposition at a place convenient to the Patent and Trademark Office. The Conference Room in the Office of the Solicitor is deemed to be a place convenient to the Office.
- (5) The party agrees to supply a copy of the transcript of the deposition to the Patent and Trademark Office for its records.

Absent a written agreement meeting the conditions specified in paragraphs (1) through (5), a party must comply with the precise terms of 37 CFR 15a.4(c) and the Patent and Trademark Office will not permit a deposition without issuance of a subpoena.

FRED E. McKELVEY,
Solicitor

Feb. 7, 1989.

[1099 TMOG 44]

(253) **DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1 and 2
[Docket No. 90363-9221]
RIN: 0651-AA40****Patent and Trademark Automated Search System Fees***Agency:* Patent and Trademark Office, Commerce*Action:* Final Rule

Summary: The Patent and Trademark Office (Office) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, to set forth fees for public access to the text data bases resident on the Automated Patent System (APS) and the automated trademark search system (T-Search). Pub. L. 100-703, enacted on November 19, 1988, allows the Commissioner to establish reasonable fees for on-line access to the automated search systems.

The Office will provide on-line access to its USPAT data base (full text of U.S. patents issued after 1974), the U.S. classification data from 1790 to the present, and to English abstracts of Japanese and Chinese patents (to the extent they are available), hereinafter referred to as APS-Text, in its Patent Search Room and to T-Search in its Trademark Search Library, located in Arlington, Virginia. Except for a series of pilot experiments which may occur over the next one or two years, the Office does not plan to provide routine remote on-line access to these data bases at any other facilities at the present time. A separate rulemaking process will be followed when the Office determines to provide such remote on-line access.

Both search systems have been made available to the public free of charge since April 3, 1989, for the purposes of education and training (familiarization).

The paper and/or microfilm collections of U.S. patents, foreign patents documents and U.S. trademark registrations continue to be available to the public free of charge, as provided by section 104(b) of Pub. L. 100-703. The Office reaffirms its commitment to hold a public hearing prior to making any decision concerning the elimination of the paper files.

This final rule establishes fees for use of the on-line automated search systems. In addition, procedures for public use of the automated search systems, including training and charging of fees, are presented.

In response to the notice of proposed rulemaking published in the *Federal Register* on May 3, 1989 (54 FR 18907), and at a public hearing held on June 30, 1989, the Office received many comments regarding problems encountered by the public in the use of T-Search. The Office believes that T-Search has proven effective for searches performed by Trademark examining attorneys in connection with their examination of applications for the registration of marks. Although the Office is establishing a fee for accessing the T-Search system, the Commissioner is immediately suspending collection of that fee to provide additional time for the public to familiarize themselves with T-Search. The Office will provide the public with sixty days notice before starting to collect the fee.

Effective Date: February 12, 1990. Rule 2.6(w) will take effect February 12, 1990 but immediately be suspended by the Commissioner. The Office will provide written notice in the *Federal Register* sixty days before starting to collect fees for accessing T-Search.

For Further Information: Frances Michalkewicz by telephone at (703) 557-1610 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: The purpose of this final rule is to establish new fees for the on-line use by the public of APS-Text, and T-Search that are to be provided in the Office's facilities in Arlington, Virginia. This final rule is consistent with the Office's Electronic Data Dissemination Policies and Guidelines, which were published in final form in the *Federal Register* on May 3, 1989, at 54 FR 18920. Establishment and adjustment of patent fees is provided for by section 6 and section 41 of

Title 35, United States Code, and section 103(b) of Pub. L. 100-703. Establishment and adjustment of trademark fees is authorized by section 31 of the Trademark (Lanham) Act 1946, as amended (15 U.S.C. 1113), and section 103(a) of Pub. L. 100-703. Information on the procedures for public use of the automated systems, including training, waivers, and the charging of fees, also is presented.

Background: In response to Pub. L. 96-517, the 1980 legislation which amended patent and trademark laws, the Office prepared and submitted a plan for the automation of its operations to Congress on December 13, 1982. The plan centered on two basic concepts: the creation of electronic data bases that (1) would eventually replace the Office's all-paper patent and trademark files, and thereby improve the integrity and quality of Office records; and (2) would support searches, examinations, Office actions and other Office functions through electronic workstations which would provide text and image retrieval capabilities and perform other automation functions.

Over 700,000 active Federal trademark registrations have been converted to an electronic data base of textual and digital image data. A computer system has been installed to enable trademark examining attorneys to search the data base for registered and pending trademarks and associated textual data, including marks containing designs, and to retrieve, display and print all information as a substitute for paper file searches. Trademark examining attorneys have been using T-Search exclusively since January 1988 via a network of approximately 40 terminals. After a six-month experimental T-Search evaluation program conducted between June and December 1988, the capability was deployed for public use in the Trademark Search Library on April 3, 1989.

The T-Search "dead data base", trademarks cancelled, expired or abandoned since March 1984, also is available to the public, but approximately 17,000 images are missing and an additional 184,000 registrations and applications have not been quality checked. Trademark examining attorneys do not search this data base in connection with examining activities.

An Automated Patent System (APS) was installed for test and evaluation purposes, using one patent examining group as an operational testbed. Major operational components of APS, that is, large scale computers with conventional magnetic storage devices, a high-speed local data communications network, and electronic workstations equipped with two high resolution graphic displays and laser printers were interconnected on July 1, 1986, to enable system test and evaluation to begin in the testbed group.

On-line access to the full-text of all U.S. patents granted after 1974 and then to English language abstracts of Japanese patents was deployed to the patent examining staff beginning in 1986. On-line access to APS-Text permits examiners to search the text of approximately one million U.S. patents containing more than five billion words. Today, all examiners have been trained in the use of the full-text searching tool, and it has become a routine part of the patent examination process for many examiners. Searches are conducted from approximately 71 single screen text terminals located throughout the Office. The APS-Text capability was deployed to the public in the Patent Search Room on April 3, 1989.

The Office intends to enter the text of virtually all U.S. patents issued after 1970. In addition, selected tubular data and chemical and mathematical equations will be added to the current full text file. Ultimately, approximately 1.2 million U.S. patents will be available to both patent examiners and the public for search in full text form.

Public evaluation of the APS full-text search capability was conducted between January 11 and April 15, 1988. Forty-two (42) public users were trained an APS-Text during January 1988, and allowed first-come/first-serve access to several terminals. Reactions of public users to APS-Text were positive. Public users found APS-Text useful for pre-application and state-of-the-art searches.

A total of 38 public users were trained on T-Search during a public evaluation period conducted between June and December 1988. Preliminary review indicated that public users considered T-Search to be useful both as a source for registrability searching and for verifying paper searches. In addition, T-Search was found to facilitate searches by class and ownership.

Pub. L. 100-703, enacted on November 19, 1988, allows the Commissioner to establish reasonable fees for public access to

the automated search systems while it continues the requirements that no more than 30 percent of automation resources may be from user fees and that the Office may not enter into exchange agreements relating to automatic data processing resources.

Section 104(c) of Pub. L. 100-703 allows the Commissioner to waive the payment by an individual of fees for accessing the automated search systems upon a showing of need or hardship, and if such waiver is in the public interest.

The information contained in the automated data bases, which will be available to the public at the Patent and Trademark Office in Arlington, Virginia, is available free of charge at that location in paper form, and is substantially available through commercial vendors. The Office believes it to be in the public interest to waive the fee for public access to its text data bases in situations where access to the data base is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user.

A personal, educational purpose is one in which the person using the data base is attempting to satisfy a personal need, and is not conducting a search or otherwise using the data base for compensation in any form. Examples of appropriate waiver situations would include students or teachers doing a term paper, a university professor collecting background information for the preparation of an application for a research grant. An example of a situation where a waiver would not be appropriate would include an individual doing work for remuneration — e.g., a law student doing a pre-examination or infringement search for a law firm.

The Commissioner will further consider a fee waiver based on a genuine financial hardship. The person requesting a waiver will be required to provide information that would demonstrate a clear inability to pay the fee.

A waiver for the payment of fees is intended to be granted sparingly, and generally only when terminals are available. It is not anticipated that fees will be waived for any one individual more than once or twice each year. The Commissioner reserves the authority to control access to the data bases and deny a waiver to any individual.

The waiver policy would apply only to use of the automated system, and not to the printing or sale of copies. Any abuse of the waiver policy could lead to a ban on the use of any public search facility for that individual.

Cost Calculations : The Office calculated unit costs for all fees based on OMB Circular A-25 "User Fees", and OMB Circular A-130, "Management of Federal Information Resources." Costs were determined from the best available records (for example, financial statements for the Office) and included direct and indirect costs to the Office of carrying out the activity, as directed by OMB Circular A-25. User charges for both APS-Text and T-Search were based on the marginal costs of providing these services to the public.

In calculating the costs of providing access to T-Search and APS-Text to the public, the Office followed Congressional direction that fees be reasonable by reflecting the marginal cost for providing the new service and not include the costs of designing or installing the automated system for use by Office examiners, or the development of the new systems.

Prior to preparation of this final rule, all of the cost assumptions and cost calculations were reviewed and modified to ensure that they included the Office's best estimates and projections.

APS-Text

The Office is establishing the \$40.00 fee for each hour of terminal session time on APS-Text. The marginal costs for one hour terminal session time on APS-Text include a portion of the lease cost of a new computer mainframe which originally was to be acquired in fiscal year 1990 for use by Office patent examiners. To meet public search requirements, the mainframe is being leased earlier than originally planned. That portion of lease costs for the three (3) month period March 1990 through May 1990 over and above the lease costs for a mainframe sized to meet only examiner needs is being passed on to the user. After May 1990, the mainframe was intended to be procured and installed to support APS. Therefore, no costs are being passed on to the public user after that time. When public usage reaches the level where a mainframe dedicated for public use is required,

fee adjustments will be proposed to pass all of the costs of that mainframe on to the public.

The level of public use will affect the amount of main memory needed to support the additional search sessions. It is projected that an additional increment of main memory will be required in fiscal years 1991 and 1992. This increment would not be required to support the examiner workload alone.

The fee calculations for public access also include the costs for equipment: network interface units, text terminals, printer noise dampeners and text terminal printers.

Other costs include a portion of the license fees that must be paid to Chemical Abstracts Service for its proprietary text and structure search software; additional personnel for the Patent Search Room, and the Office of Information Systems; computer installation costs; supplies and equipment dedicated to public use; and general and administrative overhead.

The Office is providing free access time during training on the automated search systems in accordance with ? 104(c) of Public Law 100-703 which reads. "...a limited amount of free access shall be made available to all users of the systems for purposes of education and training."

The usage rate estimates are based on the three-month public user study performed from January through March 1988. For this study, 42 frequent Patent Search Room users were selected to be trained in the use of APS-Text. Three text terminals were made available to the trained public users at no charge. During the three-month study period, use of the three terminals averaged approximately 50 percent. While it is impossible to accurately predict future use by a more diverse group of public users, the cost calculations attempted to take into account the following factors and assumptions:

1. Future public users, on average, would use APS-Text less frequently than the 42 frequent users selected for the 1988 study, many of whom routinely used commercially available automated text search tools.

2. Collection of a fee for use (as opposed to the absence of any charge during the study) would reduce demand for text search services when compared with usage data obtained during the study period.

3. The potential universe of public users is expected to average no more than 300 per day.

4. The average length of a public user search session is projected to be approximately 22 minutes — the average length of a search session during the 1988 test of public use.

5. Based on the preceding assumptions, if all 300 potential public users conducted a single search session during a workday, a total of 110 hours of access would be required. Twenty-five text terminals available five days a week, twelve hours a day, would provide a maximum potential of 300 hours of available text search time. Under these assumptions, the number of text terminals appeared to be adequate for the foreseeable future.

6. For purposes of actual use of available text terminals, the following estimates were used:

- (a) In fiscal year 1990, between four (4) and six (6) terminals would be available during the first quarter. An estimate of 45 percent utilization of available text terminal time was projected. By increasing the number of text terminals to 10 in January 1990 and 20 in April 1990, an estimate of 40 percent utilization of available text terminal time was projected. By increasing the number of text terminals to 25 in July 1990, an estimate of 35 percent utilization of available text terminal time was projected.

- (b) During fiscal year 1991 and beyond, stable levels of usage were projected to be achieved, yielding an estimated 35 percent average utilization of the 25 available terminals. This utilization rate equates to 105 session hours per day, or an average of 4.2 session hours per terminal per day. At an average of 22 minutes per session, a total of 286 search sessions per day.

Although usage rates since the system was made available to the public in April 1989 have been higher than projected, the Office believes these projections are valid for the three-year fee cycle.

A summary of the fee calculations is as follows:

APS-Text
Marginal Cost of One-Hour of
Terminal Session Time
(December 1989-November 1992)

Cost Element	Public Share (Marginal Cost)
Personnel: Compensation and Benefits	\$ 918,196
Hardware & Maintenance	\$ 691,289
Software (license fees)	\$ 295,676
Site Preparation	\$ 38,118
Non-capital Furniture	\$ 8,750
Supplies & Forms	\$ 3,500
Sub-Total	\$ 1,955,529
General & Administrative Overhead	\$ 361,773
TOTAL COST	\$ 2,317,302
Estimated Use (hours)	65,946
UNIT COST (per hour)	\$ 35.14

The marginal cost for one hour of Office staff search assistance on APS-text includes the costs of personnel compensation and benefits.

A summary of the fee calculation is as follows:

APS-Text Marginal Cost of One-Hour of Office Staff Search Assistance (December 1989-November 1992)	
Cost Element	Public Share (Marginal Cost)
Personnel: Annual Compensation and Benefits	
TOTAL COST	\$ 45,659
Work Hours (per annum)	1,776
UNIT COST (per hour)	\$ 25.71

The marginal cost for a printed copy generated from APS-Text includes costs for compensation and benefits, printers, furniture for the printers, supplies and forms, and general and administrative overhead.

A summary is as follows:

APS-Text Marginal Cost of Each Printed Page (December 1989-November 1992)	
Cost Element	Public Share (Marginal Cost)
Personnel: Compensation and Benefits	\$ 173,472
Hardware & Maintenance	\$ 13,483
Non-capital Furniture	\$ 5,000
Supplies & Forms	\$ 35,882
Sub-Total	\$ 227,837
General & Administrative Overhead	\$ 42,150
TOTAL COST	\$ 269,987
Estimated Use (pages)	4,496,325
UNIT COST (per page)	\$0.060

T-Search

The marginal cost for one hour of terminal session time on T-Search includes the costs of personnel in the Trademark Search Library, maintenance of the T-Search terminals, routine site preparation, supplies and forms, and general and administrative overhead. The Office is establishing the \$40.00 fee for each hour of terminal session time on T-Search, but is immediately suspending collection of that fee in order to provide public users additional time to familiarize themselves with the system.

The comments submitted in response to the proposed rule-making indicate that the public users have not adequately adjusted to the T-Search system. During the period collection of the fee is suspended, the public will have an opportunity to better learn the system so as to perform more effective searches than they may be experiencing now. The Office will publish a notice in the *Federal Register* sixty days before it begins collecting a fee for public access to T-Search.

Usage rates for T-Search during fiscal years 1990-1992 were projected to be 28 percent of the hours the system would be

available to the public. This rate was extrapolated from actual usage rates during the T-Search public user pilot program which was conducted from June through December 1988. A total of 38 members of the public were trained on T-Search, and about 24 to 28 public users were active on T-Search each month. The overall usage rate of these active users was 14 percent of the hours the system was available to the public. In projecting usage rates on which to base a fee amount, it was anticipated that the overall number of users and the usage rate would double once T-Search was made available in the Trademark Search Library to all users of that search facility and training was provided on a routine basis. Although usage rates since the system was made available to the public in April 1989 have been higher projected, the Office believes these projections are valid for the three-year fee cycle.

A summary of the fee calculations are as follows:

T-Search Marginal Cost of One-Hour of Terminal Session Time (December 1989-November 1992)

Cost Element	Public Share (Marginal Cost)
Personnel: Compensation and Benefits	\$ 154,451
Hardware & Maintenance	\$ 28,809
Site Preparation	\$ 1,000
Supplies & Forms	\$ 3,298
Sub-Total	\$ 187,558
General & Administrative Overhead	\$ 34,698
TOTAL COST	\$ 222,256
Estimated Use (hours)	5,985
UNIT COST (per hour)	\$ 37.14

The marginal cost for a printed copy generated from T-Search includes costs for compensation, and supplies and forms. A summary of the costs is as follows:

T-Search Marginal Cost of Each Printed Page (December 1989-November 1992)

Cost Element	Public Share (Marginal Cost)
Personnel: Compensation and Benefits	\$ 27,862
Hardware & Maintenance	\$ 5,274
Supplies & Forms	\$ 3,579
Sub-Total	\$ 36,715
General & Administrative Overhead	\$ 6,792
TOTAL COST	\$ 43,507
Estimated Use (pages)	448,875
UNIT COST (per page)	\$ 0.097

The proposed fee of \$25.00 for each hour of Office staff search assistance to conduct a search using T-Search has been withdrawn. The T-Search system can be used by the public with routine assistance provided by the regular staff of the Trademark Search Library. This is similar to assistance on how to use the paper files now provided free of charge by the Trademark Search Library staff. Office employees will neither work one-on-one with members of the public in conducting searches, nor conducted searches for members of the public.

Rounding Procedures: Fee amounts were rounded so that the amount rounded would be de minimis and convenient to the user. This procedure is consistent with section 103(b) of Pub. L. 100-703 which allows the Office to adjust patent fees in the aggregate, and with section 103(a) of Pub. L. 100-703 which allows the Office to adjust trademark fees in the aggregate.

The Office has detailed cost calculation worksheets for each fee item, which are available for public inspection in Suite 904 of Building 2, Crystal Park at 2121 Crystal Drive, Arlington, Virginia.

PROCEDURES FOR PUBLIC USE OF APS-TEXT AND T-SEARCH

Patent Search Room Configuration

Initially four (4) text search terminals will be installed and available for public use in the Patent Search Room. A printer will be associated with each text search terminal. An additional terminal will be located in Patent Search Room employee office space for control and administrative activities. Up to twenty-one (21) more terminals and printers are planned to be added for public use during fiscal year 1990, if necessary.

Trademark Search Library Configuration

Initially three (3) T-Search terminals with associated printers all be installed and available for public use in the Trademark Search Library. The terminals will be clustered in one area of the Trademark Search Library. An additional terminal will be located in Trademark Search Library employee office space for control and administration activities. Additional terminals and printers will be added as demand warrants and space permits.

Training

To enable prospective public users to become effective on APS-Text, approximately fourteen (14) hours of free basic training is being offered. For those familiar with automated search systems, a shorter course of six (6) hours is provided. Ten (10) members of the public can be trained during each class. Training is being held at the Office's Arlington, Va. complex during normal work hours.

Four (4) hours of basic training is being offered on the use of T-Search. For those familiar with automated search systems, a shorter course of one (1) hour is available. T-Search training is being held in the Office's Arlington, Va. complex during morning, evening and weekend hours.

Enrollment in all training classes initially was on a lottery basis. Public users who wished to be trained on APS-Text or T-Search were required to submit an application form. The Office is now accepting requests for training and adding the names to the list. As of August 31, 1989, 696 people or 70 percent of all those requesting training have been trained.

System Use and Fee Procedures

To ensure equity of public access to the automated systems, as well as efficient operations, rules for use will be posted at the terminals. Users of the systems will be expected to comply with the rules and with all other regulations regarding the use of facilities.

Users are strongly encouraged to register in advance for system use. Each week, the next week's schedule will be available in the Patent Search room and the Trademark Search Library. Should requests for blocks of terminal time exceed the availability of terminals, limits on the amount of reserved time may be instituted. Up to three (3) of the initial four (4) terminals in the Patent Search Room and up to two (2) of the initial three (3) terminals in the Trademark Search Library will be allocated to public users with advance reserved times. The remaining terminal in the Patent Search Room will be available for walk-up users and for assisted searches for infrequent users. The remaining terminal in the Trademark Search Library will be available for walk-up users. The terminal time reservation system and the number of terminals available for walk-up public use and for assisted searches (in the Patent Search Room) is subject to change based upon operational experience.

All public use of APS-Text and T-Search, with the exception of scheduled training classes, is on a pre-payment basis. In pre-paying for use of the systems, the public may use a blank signed check, major credit card or charge to a deposit account. At the end of the search or the pre-paid amount of time, users will receive an accounting from Patent Search Room or Trademark Search Library staff for terminal time used and prints produced. The user must then finalize payment.

Discussion of Specific Rules

37 CFR 1.21 Miscellaneous fees and charges.

Section 1.21 is amended to add new paragraph (o) to set the fees for access to the Automated Patent System full-text search capability (APS-Text) and to provide for the waiver of fees under certain circumstances.

Section 1.21 is amended to add new paragraph (p) to set the fees for APS-Text search assistance by Office staff.

Section 1.21 is amended to add new paragraph (q) to set the fee for a printed copy from APS-Text.

37 CFR 2.6 Trademark fees

Section 2.6 is amended to add new paragraph (w) to set the fees for access to the automated trademark search system (T-Search) and to provide for the waiver of fees under certain circumstances.

Section 2.6 is amended to add new paragraph (x) to set the fee for a printed copy from T-Search.

A final rule package establishing two new fees under the provisions of Pub. L. 100-667, the Trademark Law Revision Act of 1988, has been published which added paragraphs (u) and (v) to section 2.6. Therefore, the rule has been modified from the proposal to add paragraphs (w) and (x) instead of paragraphs (u), (v) and (w).

Response to Comments on the Rules

A notice of proposed rulemaking to establish a basis for the charges for use of the on-line automated search systems in the Patent Search Room and Trademark Search Library located at the Patent and Trademark Office in Arlington, Virginia was published in the *Federal Register* on May 3, 1989, at 54 FR 18907. Corrections were published in the *Federal Register* on May 12, 1989, at 54 FR 20670. A notice also was published on May 30, 1989, in volume 1102 of the *Official Gazette* of the United States Patent and Trademark Office, pages 94 through 98 for patents, and pages 96 through 100 for trademarks.

A public hearing was conducted on June 30, 1989. A total of 25 comments were received: 24 respondents submitted written comments and five people presented oral testimony (four of whom also submitted written comments) at the public hearing. On the 25 comments, twelve (12) were from individuals, seven (7) from libraries, five (5) from organizations and one (1) from business. All of the written and oral comments were considered in adopting the rules set forth herein.

Many of the comments from the representatives of the Patent Depository Libraries raised questions or commented on the proposed rules from the perspective of their impact on Patent Depository Libraries. The proposed rules and policies set forth in the *Federal Register* Notice of May 3, 1989 are applicable only to the automated search systems provided in PTO's facilities located in Arlington, Virginia. When the Office is prepared to offer the automated search systems at the Patent Depository Libraries, a proposed notice will be published for public comment. Therefore, any comments relating to procedures for accessing the automated search systems in the Patent Depository Libraries will not be addressed at this time.

Comment: Overall, nine respondents acknowledged the usefulness of the automated search systems, particularly APS-Text. Although seven respondents alleged that T-Search is not adequate to meet the needs of the public, that its response time is too slow, and that it is not sufficiently accurate to meet the specific needs of the commentator, most of these respondents acknowledged that T-Search had the potential for being a useful tool. Documentation of specific problems, for example, those associated with conducting a phonetic search, were provided. Two respondents said that T-Search is flawed and the decision to require examiners to use the system on an exclusive basis was ill-advised and regrettable.

Response: Trademark examining attorneys have been using T-Search for word mark searches since August 1987, and for word mark and design searches since January 1988. The public has been using the system since April 3, 1989.

The minutes to the September 27, 1988, meeting of the Public Advisory Committee for Trademark Affairs, express the view that: "...T-Search searches are more thorough than manual searches." The transcript to that meeting contains the following comments: "I don't think there is any question, but a T-Search [sic] properly done gives an excellent result" and "...from the

corporate point of view, ... I am pleased to say that I like what I see. I like the very fast action we're getting on the first action." From the transcript to the February 23, 1988 meeting: "I'd like to start with a glowing report. I think that the registration process is working very well. From my own personal experience in terms of what the examiners are doing, they get an A plus. They're really doing a good job."

The consensus of the management of the Trademark Examining Operation is that the T-Search system meets the needs of the Office at this time. There is no indication in any records or activities in the PTO which would indicate that the use of T-Search has caused a deterioration in the quality of searches conducted by Trademark examining attorneys.

The difference between the perceptions of the Trademark examining attorneys and the public may be attributed to several factors; Trademark examining attorneys use the system on a daily basis; they know what the system can do and what it cannot do and avoid the latter; and they know how to utilize the system's functionalities to perform the best search possible. Further, Trademark examining attorneys do different types of searches, and have different needs, than the public. T-Search use statistics for the period April 1989 through August 1989 demonstrate that the public is making extensive use of the system. Following is a summary of those statistics:

Month	Available Hours	Hours Used By Public	Rate of Usage	Average Session
Time				
April	513	108	21%	13.02 min.
May	513	126	24%	12.25 min.
June	627	183	29%	10.84 min.
July	570	186	33%	12.51 min.
August	656	217	33%	9.66 min.

This usage rate compares favorably to the projected usage rate of 28 percent.

Comment: Seven respondents claimed that the paper Trademark files have been allowed to deteriorate and, therefore, are not reliable for use by the public.

Response: The Office contracts for file maintenance services in both the Trademark Search Library and the Patent Search Room. Among the tasks performed by the contractor in the Trademark Search Library are maintaining the pending files, filing newly registered Trademarks, pulling erroneous registrations from the file, etc. The contract for the Trademark Search Library includes a monitoring system based on MIL-STD 105, which is a sampling plan that provides a 97 percent accuracy level. Once the contractor completes a task, Office staff check the required sample levels to ensure that filing was performed accurately. The Office is constantly monitoring the status of the paper files, but notes that maintenance of paper file integrity is subject to inherent limitations.

Comment: In view of the above comments about the inadequacy of the Trademark paper search files and T-Search, six respondents advocated the need for T-Search, at no charge to the user, as an adjunct or back-up to the paper files. One respondent suggested a similar arrangement in the Patent Search Room.

Response: The Office has adopted the \$40.00 fee amount for one hour of terminal session time on both APS-Text and T-Search. In order to give the public more time to become familiar with the T-Search system, the Commissioner is immediately suspending collection of that fee. This will enable users to learn the system so as to perform more effective searches. The Office will publish a notice in the *Federal Register* announcing its decision regarding the imposition of the fee at least 60 days before starting to collect the fee amount. At that time, the Office also will publish validated cost estimates based on usage rates and actual costs documented from the present time to the time the decision to collect a fee is made.

Comment: Two respondents claimed that the objective of automation necessarily contemplated a free search system to give meaning to the constructive notice provisions of the Trademark Act.

Response: Registration of a trademark constitutes constructive notice and records of all active trademark registrations and pending applications are available for searching free of charge in the paper file and on TRAM (Trademark Reporting and Monitoring System) data base.

Comment: One respondent claimed that PTO is required to provide access to disclosed patent information as the information is made public; four respondents were opposed to the Office charging fees for accessing the automated search systems; two other respondents commented that the Office should not charge fees for using systems designed to be the sole searching source of the public records which the Office is charged by law to provide; and one respondent commented that the proposal to limit access to the automated data bases only to those who can pay a fee is deplorable policy at a time when there is concern about industrial competitiveness with Japan.

Response: The Office will continue to make the paper and/or microfilm collections of U.S. patents, foreign patent documents and U.S. trademark registrations available for public access free of charge. The Office also has adopted a policy whereby the hourly terminal session fee for access to the data base can be waived when it is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user. In this way, the Office will continue to provide public access to all available information free of charge.

Comment: One respondent commented that user fees for electronic data is a form of dual taxation when information was gathered, organized and produced at taxpayers expense; and two respondents claimed that users of information have contributed up to 30 percent of the \$120 million for development of the APS system to date — in other words, the public already has paid for APS.

Response: In calculating the proposed fees, the Office is consistent with the Office of Management and Budget's proposed policy on user charges for Government information products, as clarified in the June 15, 1989 *Federal Register* notice entitled "Second Advance Notice of Further Policy Development on Dissemination of Information." In that notice, OMB's stated policy is that user charges for Government Information products should be no higher than a level sufficient to recover the costs of disseminating, not collecting, the information.

The costs associated with the fees for accessing APS-Text and T-Search are directly related to the public's use of the systems; for example, the costs associated with the acquisition of the APS-Text terminals that are being used by the public. No costs associated with designing or installing the automated system for use by Office examiners, or the development of the new systems have been included. Neither have costs been included for gathering, organizing or producing information.

The *Federal Register* notice of June 15, 1989 (54 FR 25554, 25558) dealing with policy development on dissemination of information states that: "As to double taxation, OMB notes that user charges policy has a basis in statute (31 U.S.C. 9701), and the Congress has not viewed user charges as double taxation because they are applied when the recipient receives special benefits."

Comment: Two respondents stated that Government information is the same, whether it is provided in printed or electronic form.

Response: Charging fees for access to the automated search systems is consistent with PTO's fee policy. For example, fees are charged for manual search services (e.g., for a search of Office records or for a search of assignment records), and for printed copies of patents and trademarks and for copies of Office documents.

Comment: The Japanese system is available at four locations at no cost, and includes U.S. information made available at U.S. taxpayer expense.

Response: The Japanese automated search system, like the automated search systems in the PTO's search facilities, is being made available free of charge at the present time. The costs of such use, however, are being paid from general fee revenues collected by the Japanese Patent Office. Additionally, the APS-Text system currently includes Japanese English language abstracts and the Office is in the process of acquiring Japanese patent information in digital facsimile form.

Comment: One respondent commented that PTO has no responsibility to provide an expensive, complex, internal Government on-line value-added computer service, that this is far beyond the requirements of public access to patent files; and another respondent commented that it is in the public interest

to have the same system that is being used by the examiners also available to the public.

Response: The Office agrees that it is in the public interest to provide the same search system capability to the public that is being used by the examiners.

Comment: One respondent stated that providing free access is not competing with the private sector, and that there always is a place for the private sector to provide value-added information.

Response: The user charges adopted for public access to the APS-Text and T-Search systems are consistent with OMB Circulars A-25 "User Charges" and A-130 "Management of Federal Information Resources", and with the PTO's Electronic Data Dissemination Policies and Guidelines. The PTO's user's fees are designed to recover the marginal costs associated with providing access to the automated search systems to the public.

Comment: Five respondents stated that the proposed fees are not "reasonable" and the Office does not have documented cost estimates and usage rates to support the proposed fee amounts.

Response: The Office is meeting Congressional direction to establish "reasonable" fees by recovering only the marginal costs associated with providing public access to the automated search systems. Costs and projected usage rates were determined from the best available records, for example, financial statements for the Office and the results of the public evaluations of the APS-Text and T-Search systems. A summary of the costs used in the fee calculations is included above under "Cost Calculations." Full details of these cost calculations are available for public inspection at the Patent and Trademark Office in Suite 904 of Building 2, Crystal Park, at 2121 Crystal Drive, Arlington, Virginia.

Comment: Two respondents questioned the proposed fees for search assistance. If the search assistance is similar to that which is provided free now, there should be no fee. If the search assistance entails doing searches, the Office should not be getting into that business.

Response: The PTO is withdrawing the proposed fee for staff search assistance to conduct a search using T-Search capabilities. The fee for staff search assistance to conduct a search using APS-Text capabilities is being adopted, because an untrained user cannot conduct a search without significant help from Office staff. Users of course, have the option of obtaining free training on the system.

Comment: One respondent commented that user fees cannot be justified under the theory that electronic search provides a new service or offers an enhancement to the public's ability to search the patent data base, and that the public has an option of paying the fee or using the paper files. Another respondent commented that APS-Text and T-Search represent enhancements to services already provided.

Response: The fees are specifically authorized under § 104 (c) of Pub. L. 100-703 and are calculated to allow recovery of only the marginal cost for providing the system to the public.

Comment: Two respondents claimed that the Office should ask Congress for funding to offer free access here and at the PDLs.

Response: It continues to be PTO policy, consistent with OMB Circular A-130, that costs for access to the automated search systems be borne by those who actually use the automated search systems.

Comment: One respondent claimed that the accuracy of the trademark data base is suspect.

Response: All of the backlog data base elements (registrations issued prior to September 9, 1980) have been corrected except owner information. As originally planned, the owner field will be cleaned up the active registrations issued prior to September 9, 1980. It is projected that this owner field will be cleaned up by the third quarter of fiscal year 1991.

Comment: Three respondents claimed that the public requires access to the dead data base.

Response: The Office will consider this proposal further. The dead data base is now available in electronic format for all applications and registrations that were active on January 1, 1983 and are now inactive. However, many of these records are of poor quality. Costs for cleaning up these records would be significant, and those costs would likely be reflected in the T-Search user fee.

Comment: Four respondents addressed the fee waiver policy. The proposal to waive fee appears inconsistent with PTO's

position that the free paper search files provide an equal and viable resource to anyone not wanting to pay for the automated files. If paper records are inferior, then anyone seeking access to T-Search should be able to qualify for the fee waiver. If the paper records are adequate, then there should be no need to waive the access fee for anyone.

Response: The waiver policy authorized by Pub. L. 100-703 is designed for those individuals who, for some reason in the public interest, such as an educational purpose, need the capabilities of the automated system, for example, to manipulate the data.

Comment: One respondent commented that the procedure to enroll people in training classes by the use of a lottery was unfair and that everyone who wants to be trained should be enrolled.

Response: The lottery was a method for establishing the initial schedules to provide training. Everyone who requests training will be trained. As of August 31, 1989, 449 out of 623 people requesting training on APS-Text, and 247 out of 376 people requesting training on T-Search have been trained.

Comment: One respondent commented that advance registration is an unrealistic approach for many searchers.

Response: At least one terminal in the Patent Search Room and one in the Trademark Search Library will be available for walk-up users. The other terminals will be available first for users with a reservation and then, if needed, for walk-up users. The system is designed to ensure equity of public access to the automated systems.

Comment: Two respondents asked for information justifying that this is not a "Major Rule" as defined by Executive Order 12291, and that the rule will not have a significant adverse impact on small entities.

Response: The no "major rule" determination and no significant adverse impact on small entities was based on the fact that the automated systems are being offered only at the Patent and Trademark Office's public search facilities located in Arlington, Virginia. The total number of users of these facilities averages less than 400 a day, and many of these users are members of law firms or commercial search services. The annual effect on the economy is expected to be about \$1 million, far less than the \$100 million annual threshold specified in the Executive Order. The fees for accessing the automated search systems are reasonable and should not burden small entities and, at the same time, the Office is continuing to maintain the paper search files which are available to the public free of charge. Finally, there should be no significant adverse effects on competition, because the systems are being offered only at one location, the Patent and Trademark Office in Arlington, Virginia, and the public may continue to use paper files without payment of any fee.

Comment: Five respondent commented that user fees burden small entities and run counter to a fundamental objective of the patent system which is to advance technology through dissemination of the technical information contained in patents.

Response: The Office does not believe that the fee amounts adopted will burden small entities or negatively impact the dissemination of technical information. The Office also will continue to maintain the paper search files using taxpayer funds, and provide access to the public free of charge. Further, the Office has adopted a fee waiver policy whereby the fee amount can be waived where access to the data base is needed for a personal, educational purpose by an individual or member of an educational or non-profit organization, or where payment of the fee would pose a genuine financial hardship to the user. Full details are included above under "Background".

Comment: One respondent commented that the Office needs a policy to ensure that no user of the patent and trademark information is disenfranchised due to an inability to pay for the services necessary to its access.

Response: The Commissioner will consider a fee waiver for users with a genuine financial hardship.

Other Considerations:

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501, et seq. There are no information collection requirements relating to patent and trademark fee rules.

The Office has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rules make the Office's on-line, automated patent full-text search and trademark search systems available to the public at rates significantly less than commercial systems.

The Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 37 CFR Parts 1 and 2

37 CFR Part 1

Administrative practice and procedure, Courts, Inventions and patents, Lawyers, Reporting and record keeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the permeable, the Office is proposing to amend Title 37 of the code of Federal Regulations, Chapter 1, as set forth below.

PART 1-RULES OF PRACTICE IN PATENT CASES.

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.21 is amended by adding new paragraphs (o)-(q).

\$1.21 Miscellaneous fees and charges.

* * * * *

(o) Marginal cost, paid in advance, for each hour of terminal session time, including print time, using Automated Patent System full-text search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to the Automated Patent System full-text search capability (APS-Text) upon a showing of need or hardship, and if such waiver is in the public interest \$40.00

(p) Marginal cost, paid advance, for each hour of Office staff search assistance to conduct a search using Automated Patent System full-text search capabilities (APS-Text), prorated for the actual time used \$25.00

(q) Marginal cost, for each printed page generated from the Automated Patent System text terminal \$0.10

PART 2- RULES OF PRACTICE IN TRADEMARK CASES

1. The authority citation for Part 2 continues to read as follows: Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is amended by adding new paragraphs (w)-(x).

\$2.6 Trademark fees

* * * * *

(w) Marginal cost, paid in advance, for each hour of terminal session time, including print time, using T-Search capabilities, prorated for the actual time used. The Commissioner may waive the payment by an individual for access to T-Search upon a

showing of need or hardship, and if such waiver is in the public interest \$40.00

(x) Marginal cost, for each printed page generated from the T-Search terminal \$0.10

JEFFREY M. SAMUELS

Acting Commissioner of Patents
and Trademarks

Dec. 4, 1989

[1110 TMOG 601]

(254)

DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Part 2

Patent and Trademark Automated Search System Fees

Agency: Patent and Trademark Office, Commerce

Action: Listing of suspension of final rule

Summary: The Patent and Trademark Office (Office), on December 11, 1989, amended the rules of practice in patent and trademark cases, Parts 1 and 2 of Title 37, Code of Federal Regulations, setting forth the fees for public access to the Office's text data bases: the Automated Patent System (APS) and the automated trademark search system (T-Search). 54 FR 50942. That final rule became effective on February 12, 1990. On that date, 37 CFR 2.6(w), dealing with T-Search fees, took effect, but was immediately suspended by the Commissioner.

The collection of the fee was initially suspended to permit users to become familiar with the T-Search system. The T-Search system has been available to the public since April 1989, a sufficient time for users to become familiar with the system. Therefore, as provided in the final rule, the Office now gives notice that the suspension is lifted. The Office will begin to collect the fees set forth in 37 CFR 2.6(w) sixty (60) days from the date of this notice. Cost estimates based on usage and actual costs are available for inspection in the Office of Long-Range Planning and Evaluation, Room 507, Crystal Park 1, Crystal Drive, Arlington, Virginia.

Dates: The suspension of 37 CFR 2.6(w) is lifted as of Nov. 13, 1990. The collection of fees under 37 CFR 2.6(w) will begin on November 13, 1990

For Further Information Contact: Frances Michalkewicz by telephone at (703) 557-1610 or by mail to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

September 4, 1990

HARRY F. MANBECK, Jr.

Assistant Secretary and Commissioner
of Patents and Trademarks

[1119 TMOG 6]

(255)

DEPARTMENT OF COMMERCE

Billing Code: 3510-16

Patent and Trademark Office

[Docket No. 70470-9062]

Electronic Data Dissemination Policies and Guidelines

Agency: Patent and Trademark Office, Commerce

Action: Electronic Data Dissemination Policies and Guidelines - Final Notice.

Summary: The U.S. Patent and Trademark Office (PTO) has undertaken a program to automate its operations. As a result, electronic patent and trademark data are being created and new techniques are being implemented to expand the use of the PTO's collection of electronic information, which will contain all U.S. patents and registered trademarks and selected foreign patents. These data bases comprise one of the largest information resources of the Nation.

Date: May 3, 1989.

Address: Comments should be addressed to: Donald J. Quigg, Assistant Secretary and Commissioner of Patents and Trademarks, U.S. Patent and Trademark Office, Washington, D.C. 20231.

For Further Information Contact: Bradford R. Huther at 703-557-1572.

Supplementary Information:

In response to Public Law 96-517, the 1980 legislation which amended patent and trademark laws, the PTO prepared and submitted a plan for the automation of its operations to Congress on December 13, 1982. The plan centered on two basic concepts: the creation of electronic data bases that (1) would eventually replace the PTO's all-paper patent and trademark files, and thereby improve their integrity and quality; and (2) would support searches, examinations, Office actions and other Office functions through electronic workstations which would provide text and image retrieval capabilities and perform other automation functions.

Over 700,000 active Federal trademark registrations have been converted to an electronic data base of textual and digital image data. An IBM-based computer system has been installed to enable examiners to search the data base for textual data and codes describing designs, and to retrieve and display all information as a substitute for paper file searches. Trademark examiners have been using T-Search exclusively since January 1988, and the capability is ready to be deployed for public use in the Trademark Search Library.

An Automated Patent System (APS) was installed for test and evaluation purposes, using one patent examining group as an operational testbed. Major operational components of APS — large scale computers with conventional magnetic storage devices, a high-speed local area data communications network, and electronic workstations equipped with two high resolution graphic displays and laser printers — were interconnected on July 1, 1986 to enable system test and evaluation to begin in the testbed group. Optical disk storage units were subsequently installed to house the test data base of digital images of U.S. and foreign patents. In December 1987, the testbed patent examiners began using the APS image search and retrieval capability (APS-Image) in a live production environment. Based on recommendations of an Industry Review Panel appointed by the Deputy Secretary of Commerce to review the Office's patent automation program, changes were made and the testbed examiners are using a stable, reliable system suited to their need. The digital image retrieval capability of APS has been stabilized in the testbed, which now is being used as an operational testbed for deployment to other patent examining groups. A decision on the next incremental deployment of the digital image retrieval and other electronic searching capabilities is planned to be made in mid-1989. Additional system capabilities for office automation and other administrative support will be added to those already installed in the testbed over the next several months to supplement the search and retrieval capabilities. Examiners will be provided access to commercial data bases, such as industry-specific data bases, from the electronic workstations.

PTO continues to digitize the entire backfile of almost five million U.S. patents. The source for the digital image scanning operation is the archival set of patent documents which is believed to contain the best available copy of each patent. First, images of all U.S. patents in the testbed group's search files were converted to digital form and placed on optical disks for use in electronic classification and combined text classification searches. Subsequently, the remaining patents were captured. These patents will be written to optical disk and loaded on APS before APS-Image can be deployed to the remaining patent examining groups and the public. Through exchange agreements with the European and Japanese Patent Offices, European patents issued since 1920 and all Japanese patents have been or will be converted to a common facsimile standard and key patents will be entered for on-line retrieval.

On-line access to the full-text of all U.S. patents granted after 1974 and the English language abstracts of Japanese and Chinese patents — a data base of more than two million records representing about 52 gigabytes of data — was deployed to the patent examining staff beginning in June 1986. Access to this full-text data base (APS-Text) permits examiner to search the text of more than one million U.S. patents containing more than five billion words. Today, all examiners have been trained in the use of the full-text searching tool, and it has become a routine part of the patent examination process. Searches are conducted

from single screen text terminals located throughout the Office, supported by a NAS-9080 dual processor. The APS-Text capability is ready for deployment to the public in the Patent Public Search Room.

The PTO intends to enter the text of U.S. patents issued after 1970.

To fulfill its mission to disseminate information and to guide the management of its electronic information resources, on June 8, 1984, the PTO issued guidelines and policies for dissemination and distribution of electronic patent data. These were published in 49 *Federal Register* 2485 (June 14, 1984). Subsequently, the Office of Management and Budget issued revised policies and expanded guidelines for electronic data dissemination in OMB Circular A-130 dated December 1985 and entitled "Management of Federal Information Resources."

On August 20, 1987, PTO published in 52 *Federal Register* 31442 a notice (1) to inform the public of the PTO's intention to amend its pricing policy for data base products, and to expand the scope of its dissemination policies and guidelines to encompass patent and trademark electronic data; (2) to explain the current situation with regard to public access to automated patent and trademark search rooms and libraries; and (3) to solicit public comments on the intended proposals.

On December 10, 1987, PTO published in 52 *Federal Register* 46815 a notice amending the pricing policy for data base products and expanding the scope of the policies and guidelines to encompass patent and trademark data. That notice also extended the period to December 31, 1987, for receiving public comments on alternatives for funding public access to patent or trademark search rooms or libraries.

On June 23, 1988, PTO published in 53 *Federal Register* 23677 a notice informing the public of its intention to publish a comprehensive edition of the policies and guidelines to replace the versions published in the June 14, 1984 and December 10, 1987 notices.

In that notice, the PTO also published a summary of the comments received on the three alternatives for financing public access to the automated search systems in PTO's public search rooms and libraries. Subsequently, Public Law 100-703 was enacted on November 19, 1988. The law allows the Commissioner of Patents and Trademarks to establish reasonable fees for access by the public to the automated search systems.

Response to Comments

Comment: If user fees are established for public access to the automated patent and trademark systems, will those fees also be charged by the Patent Depository Libraries (PDLs)?

Response: Arrangements will be worked out between the PTO and individual libraries for providing access to the automated search system. Arrangements will depend on each library's authority to collect user fees for the service on their own or the PTO's behalf. Fees for access in PDLs would be adjusted to account for any different equipment costs, maintenance and added telecommunications costs.

Comment: How would PDLs administer the free access provision of Public Law 100-703?

Response: Based on PTO's policy for administering this provision, arrangements would be worked out with individual libraries.

Comment: One respondent asked if PTO conducted a study to determine the potential demand in PDLs for trademark information and patent information.

Response: Several surveys on the demand for patent and trademark information have been conducted which provide unofficial indications to the PTO for the need for patent and trademark information. Reports to the PTO indicate that the demand for trademark information is increasing.

Comment: One respondent wanted clarification of what will ultimately be available to the PDLs — paper, microfilm, electronic data.

Response: The form of the patent and trademark information in each PDL ultimately will depend on decisions made between the PTO and individual PDLs and the technology and economics of remote access for providing access to the automated search systems.

Comment: If PTO contracts for the provision of public access, who owns the PTO data base?

Response: The PTO will continue to own the PTO data base.

Comment: One respondent claimed that section B is inconsistent with OMB Circular A-130 and that the order of sub-paragraphs B(1) and B(2) should be reversed.

Response: Section B relates only to the PTO search facilities and PDLs. This policy is consistent with OMB Circular A-130 by providing an information "safety net" to the public through the dissemination of information in the search facilities and libraries. PTO states in paragraph F that, outside the search facilities and libraries, it will encourage the private sector to offer commercial patent and trademark search and retrieval services, and it will not compete with the private sector.

Sub-paragraphs B(1) and B(2) state that PTO will choose the most efficient means for providing search and retrieval services in its search facilities and PDLs, directly and/or through a contractor.

Comment: One respondent suggested that there might be misunderstanding between sections C and E.

Response: Section C specifically refers to commercial data bases whereas section E refers to PTO-owned data bases.

Comment: In section D, what does the term "existing collections in the PDLs" mean?

Response: In the June 23, 1988 edition of the *Federal Register*, the reference to "existing collections" meant the collections held by each individual library. Collections vary from library to library, and acquisition of collections is up to each individual PDL. Section D has been revised because section 104(c) of Public Law 100-703 allows the Commissioner to establish reasonable fees for on-line access to the automated search systems.

Comment: Section E provides for the possibility that a commercial search and retrieval service could be substituted for the PTO automated systems in the PDLs. Would the PDLs be required to absorb the cost?

Response: Arrangements would be worked out between the PTO and each individual library and would depend on the library's ability to provide commercial services on its premises.

Comment: One respondent asked for a brief explanation of OMB Circular A-76, entitled "Performance of Commercial Activities."

Response: The A-76 process enhances quality and efficiency by using competition to select the most cost-effective operation to perform a service. It requires that studies be conducted to see whether work should be performed by the Government or by industry. This program was formalized in 1955 and, in 1966, the Bureau of the Budget issued the policy as Circular No. A-76.

Comment: One respondent suggested that the word "indirectly" in section F should be removed since there already are many private trademark search enterprises. Another respondent suggested that the word "encouraged" in that same section should be changed to "allowed." A third respondent said that PTO should "directly encourage" the private sector by making its data available in electronic form.

Response: Section F as written expresses how the PTO will indirectly achieve its dissemination goals. No change has been made to the wording.

Comment: One respondent suggested that PTO should not even consider "exclusive" arrangements with regard to the sale of bulk data as suggested by Section H.

Response: Paragraph H has been changed by deleting the word "normally."

Comment: One respondent suggested that marginal cost recovery described in section I should be limited to commercial entities seeking bulk data.

Response: All cost of goods and services are fully user-fee funded under the terms of OMB Circular A-25, "User Fees."

Comment: Several respondents asked for clarification of the statement that the trademark automated system could be ready for public deployment by September 30, 1988.

Response: Under a proposed rule package entitled Patent and Trademark Automated Search System Fees, the PTO is proposing to provide access to T-Search.

Comment: One respondent asked for clarification and more specificity to the response concerning the PTO's authority to automate PDLs.

Response: Section 13 of title 35, United States Code, authorizes the Commissioner to conduct a patent depository library program for disseminating patent information to the public. The Paperwork Reduction Act of 1980, as amended, 44 USC, chapter 35, requires each Federal agency to "implement applicable

government-wide...information policies...with respect to...dissemination of information...and other information resource management functions..." OMB Circular A-130 establishes a Government-wide policy of disseminating Government Information products and services in the manner most cost effective for the Government. Accordingly, the Paperwork Reduction Act would authorize disseminating patent information to the PDLs in some electronic form, in lieu of paper or microfilm, if it is the most cost-effective mode. The authority for providing access to patent and trademark information in the PDLs like that for the Patent Search Room and Trademark Search Library is the authority inherent in various provisions of the patent law other than section 13 such as section 10 of title 35. The PDLs serve as extensions of the PTO for disseminating patent and trademark information in other geographic locations.

Comment: One respondent asked that PTO adhere to Rep. Kastenmeier's instructions reported in 134 Cong. Rec. H9676 (daily ed. Oct 5, 1988) (statement of Rep. Kastenmeier), to follow the letter and spirit of the copyright law regarding non-patent literature.

Response: The PTO will adhere to the letter and the spirit of the copyright law as it applies to the inclusion of nonpatent literature in the Automated Patent System.

Other Considerations:

The PTO has determined that this notice is not a major rule within the meaning of section 1 (b) of Executive Order 12291. Therefore, a Regulatory Analysis has not nor will be prepared. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this amended policy statement by the Administrative Procedure Act (5 U.S.C. 553(b) (A)), no initial or final Regulatory Flexibility Analysis has to be or will be prepared. The PTO also has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612. This notice does not contain a collection of information requirement for purposes of the Paperwork Reduction Act.

ELECTRONIC DATA DISSEMINATION POLICIES AND GUIDELINES

Dissemination in Government Public Search Facilities and Depository Libraries

It is the goal of the PTO to achieve effective, widespread dissemination of information concerning patents and Federally registered trademarks to all segments of the U.S. public.

A. The dissemination goal will be accomplished directly by the PTO by providing electronic search and retrieval services to the public in search facilities located in the PTO, in other facilities which may be established by the Government and in Patent Depository Libraries (PDLs). PDLs are Federal, State and local government, university or non-profit organization libraries designated by the PTO to offer public access to patent collections.

B. To the extent funding is authorized and appropriated, search and retrieval services will be provided in the PTO's search facilities and PDL's either:

(1) by the PTO, using its own data bases, computers, communications equipment, and software, and/or

(2) by PTO contractors.

C. Access to commercial data bases that are available to the PTO's examiners, for example industry-specific data bases, will be furnished either through an APS workstation or a terminal furnished by data base vendors in the PTO public search facilities at commercial rates, provided the user has established a commercial account with the data base vendor.

The PTO will not act as an agent for any data base vendor in providing training for, assisting in, or collecting fees for the use of such commercial data bases.

D. Services furnished in the PTO public search facilities and in PDLs will be at no cost to the public for access to paper and microform records. The cost of accessing PTO owned electronic data bases and systems will be

recouped from user fees set to recover the marginal costs of such services.

E. The type of service for public search and retrieval, either PTO or commercial services, will be chosen based on the method and criteria established by the 1983 revision to OMB Circular A-76, entitled "Performance of Commercial Activities."

Distribution of PTO Data for Commercial Dissemination

F. In addition to B. and C. above, the PTO will pursue its dissemination goal indirectly by encouraging the private sector to offer commercial patent and trademark search and retrieval services and will seek to avoid competition with private sector firms in providing such services to the public outside the PTO search facilities and PDLs.

G. Fees charged for bulk data developed by the PTO will be based on the marginal cost of providing such distribution services.

H. Arrangements will be non-exclusive. Bulk resale of PTO data will be permitted subject to the terms of each bulk sales agreement.

I. Fees charged to the public for U.S. patent and trademark data products will be based on the marginal cost of providing such products.

J. The PTO will receive non-U.S. electronic patent data through exchange agreements with other patent offices and international intergovernmental organizations. In general, the PTO will not distribute such data, except in conjunction with services that may be provided by the PTO or its contractors in the PTO public search facilities and PDLs. Rather, it will seek to have contractual arrangements established directly between the organization and the commercial data base vendor and will not act as a service agent or representative unless there is a special need that cannot be met otherwise.

Mar. 7, 1989

DONALD J. QUIGG
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1102 TMOG 100]

(256) **DEPARTMENT OF COMMERCE**
Patent and Trademark Office
37 CFR Parts 1, 2, and 10
[Docket No. 921061-2261]
[RIN 0651-AA50]

Electronic Filing of Patent and Trademark Applications

Agency: Patent and Trademark Office Commerce

Action: Advance Notice of Proposed Rulemaking

Summary: This advance notice of proposed rulemaking is to inform the public that the Patent and Trademark office (PTO) is considering amending its rules of practice: (1) to allow for electronic filing of patent applications and trademark applications; and (2) to require applications filed in paper form to follow a prescribed order and format.

The PTO anticipates that permitting electronic filing of applications will improve the accuracy of the information relied upon in the examination of patent and trademark applications, eliminate delays caused by mailing and data entry, and, as a first step toward a fully-automated processing system, ultimately provide considerable cost savings. The cost savings realized could be used to help reduce the need for future fee adjustments and/or fund improvements in the delivery of services. Requiring applications filed on paper to follow a prescribed order and format will enable the PTO to convert these applications to electronic format.

The purposes of this notice are to: (1) invite interested parties to participate in pilot programs involving electronic filing of

patent and trademark applications; and (2) encourage comments on this topic, in the form of responses to the questions posed in this notice, from industry, the patent and trademark bars, and members of the public.

Dates: Comments should be received on or before Feb. 28, 1993.

Addresses: Written comments should be addressed, if sent by mail, to the attention of Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, c/o Commissioner of Patents and Trademarks, Washington, D.C. 20231. If delivered by hand, comments should be brought to the Office of the Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, Room 906, Crystal Park 2, 2121 Crystal Drive, Arlington, Va.

For Further Information Contact: Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, (703) 305-8600.

SUPPLEMENTARY INFORMATION:

1. Pilot Programs

Currently, the PTO accepts patent and trademark applications delivered by mail or in person. These applications are in paper form or, in the case of patent applications for nucleotide sequences, a combination of computer-readable (see 37 CFR 1.821-1.825) and paper form.

The PTO is initiating a pilot program that would permit electronic filing of patent and trademark applications, using software now under consideration by the PTO. Initially, it is anticipated that participants in the pilot program would be required to use the PTO software to create a diskette, which would then be mailed to the PTO along with the paper application generated by the diskette. The diskette would serve the limited function of eliminating the initial data entry of applications into the PTO databases.

As part of a second pilot program, a separate group of participants is being solicited to file paper applications following a prescribed order and format. The paper applications would then be scanned and converted to electronic format. Data collected from the pilot programs will be evaluated to determine whether requiring submission of a paper application in a certain order and format facilitates data entry; whether any modifications to the electronic filing software are required; and more fundamentally, whether electronic filing is a feasible, cost-effective alternative to filing in paper form.

2. Paper Applications

The PTO contemplates that paper applications will be required to follow the order and format of the data elements (e.g., inventor, foreign priority information, in the case of a patent application; applicant, mark, in the case of a trademark application) entered in the electronic filing system. This would enable the PTO to scan and convert paper applications to electronic applications upon receipt at the PTO. Once the paper application is converted into electronic form, processing of the application will be done in a purely electronic format. The electronic form of the application would become the official file.

3. Electronic Filing

The PTO contemplates that applicants filing by electronic means would be required to use an "Authoring Program" developed by the PTO, which will be available to facilitate the preparation of an electronic submission and record the submission on electronic media. This "Authoring Program" will include a validation feature so that applicants, themselves, can test whether an electronic submission complies with all requirements.

The "Authoring Program" software under consideration by the PTO will be designed to be compatible with computers capable of creating files of standard ASCII (American Standard Code for Information interchange) text within one or more of the major operating systems environments (e.g., DOS, Windows®, Unix®, and Apple Macintosh®).

The format for text in patent applications will specify a set of mandatory data elements, similar to those required under the Patent Cooperation Treaty. The format for text in trademark

applications will specify a set of mandatory data elements, similar to those required of a "written application" under 15 U.S.C. 1051. In both the patent and trademark software, specific formats will be required for non-textual elements, such as drawings, formulas, tables and specimens. These non-textual elements would be submitted in separate computer files called "Presentations," similar to the presentation of nucleotide sequence information in accordance with 37 CFR 1.821-1.825.

The PTO also contemplates that certain individuals be designated by the agency as qualified "electronic application transmitters." Upon application to the PTO, unlimited parties meeting specific requirements may be issued Personal Identification Numbers to enable them to transmit applications in electronic form on behalf of themselves or other individuals.

In an effort to facilitate public comment to the questions set forth below, the following background information is provided:

4. Background Specific to Electronic Patent Applications

Signature

Under 35 U.S.C. 111, a patent application must include an oath by the applicant. 35 U.S.C. 25 permits a declaration in lieu of oath. The applicant's signed oath or declaration is not required for receipt of a filing date, but may be submitted, upon payment of a surcharge, within a prescribed period.

Certified Copy of Foreign Patent Application

Under 35 U.S.C. 119, a U.S. patent application may be based on a foreign patent application, thus, potentially, conferring the benefit of the earlier foreign patent application's filing date. A certified copy of the foreign patent application is required to be filed in the PTO before the patent is granted.

5. Background Specific to Electronic trademark Applications

Signature

Under 15 U.S.C. 1051, a trademark application must be verified by the applicant. Prior to implementation of the Trademark Law Revision Act of 1988 (TLRA) on Nov. 16, 1989, the PTO permitted verification of the application to be provided at any time during the examination process. With implementation of the TLRA, the PTO amended its regulations with respect to the verification of an application. 37 CFR 2.21, which sets forth the minimum requirements for an application to receive a filing date, was amended to require that the application be signed by the applicant at the time of filing.

Specimen

Under 15 U.S.C. 1051, a trademark application based on "use in commerce" must include specimens or facsimiles of the mark as used. 37 CFR 2.21(a)(5) requires at least one specimen or facsimile to be included with the "use" application in order to receive a filing date. Applications filed based upon a "bona fide" intention to use the mark in commerce, under 15 U.S.C. 1051(b), must be supplemented with specimens or facsimiles before the registration issues. In order to meet the minimum requirements for filing an amendment to allege use or statement of use, one specimen or facsimile must be submitted. 37 CFR 2.76(e)(2) and 2.88(e)(2).

Certification or Certified Copy of Foreign Registration

Under 15 U.S.C. 1126(e), "an application [based on a foreign registration] shall be accompanied by a certification or a certified copy of the registration of the country of origin of the applicant." 37 CFR 2.21(a)(5) requires the certification or certified copy to be included with the application in order to receive a filing date.

6. Comments on the following Questions and Any Other Related Matters Are Solicited

Questions Common to Patent and Trademark Applications

- a. What benefits do you foresee for the applicant if electronic filing is adopted? What disadvantages do you foresee?
- b. Should the PTO require paper applications to be filed in a specific order and format to facilitate conversion to electronic format? What advantages and disadvantages do you foresee?
- c. Should the electronic file become the official agency file?
- d. Should electronic filing be expanded to encompass amendments and other submissions to the PTO?
- e. Should paper or electronic application filings receive a filing date only if they meet order and format requirements, or should compliance be subject to a surcharge?
- f. Should the PTO accept electronic filing by diskette, on-line, or both?
- g. Should applications filed in paper form be converted to electronic form by the PTO? Should the PTO charge a fee for this service?
- h. If paper applications are converted to electronic form by the PTO, should the PTO destroy or retain the paper applications?
- i. Should fees be processed electronically?
- j. Should the PTO create a registry of "electronic application transmitters" capable of transmitting patent and trademark applications for others? If so, what, if any, criteria should be established before one could be "registered" as an electronic application transmitter?"

Questions Related Solely to Patent Issues

- k. Should the PTO require the oath or declaration to an electronically filed patent application be filed on paper to authenticate that applicants believe themselves to be original and first inventors of the subject matter of the electronically filed application?
- If not, how should the filing of the oath or declaration be accomplished?
- l. How should the filing of certified copies of foreign patent applications be accomplished for an electronically filed patent application?

Questions Related Solely to Trademark Issues

- m. Should the PTO require electronically filed applications to include a scanned, signed declaration in order to receive a filing date? Should the PTO accept declarations in electronic form with some type of electronic signature?
- If not, should 37 CFR 2.21 be amended to permit unverified applications to be accorded a filing date? if so, within what time period must an unverified application be ratified by the submission of a signed declaration?
- How long should the PTO retain the signed declaration after it has been scanned and merged into the electronic file?
- n. Should "use" applications submitted without a specimen be given a filing date?
- If so, within what time period after filing must the specimens be submitted?
- Should the number of required specimens be reduced?
- How long should the PTO keep the specimens after they are scanned and merged into the electronic file?
- o. Should Section 44(e) of the Trademark Act (15 U.S.C. 1126(e)) be amended to permit applicants to submit a facsimile of the certification or certified copy of the foreign registration?
- Alternatively, should the statute be amended to permit Section 44(e) applicants to obtain a filing date absent a certification or certified copy of the foreign registration? If so, within what time period must a Section 44(e) application be supplemented with a certificate or certified copy of the foreign registration?
- How long should the PTO retain the certification or certified copy after it has been scanned and merged into the electronic application?

7. Candidates for the Pilot Programs

Any person interested in participating in one of the pilot programs identified above is requested to contact Edward R. Kazenske, Executive Assistant to the Commissioner and Director of Interdisciplinary Programs, c/o

Commissioner of Patents and Trademarks, Washington, D.C. 20231, if delivered by hand, written statements of interest should be brought to Suite 906, Crystal park 2, 2121 Crystal Drive, Arlington, Va. 22202. Telephone: (703) 305-8600. Please indicate which pilot program you wish to participate in and please be certain to include a telephone number where you may be reached.

Nov. 23, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

[1145 TMOG 9]

(257) **United States Postal Service Interruption and
Emergency in South Florida**

The United States Postal Service (USPS) has informed the Patent and Trademark Office (PTO) that an interruption in its service in South Florida was caused by Hurricane Andrew. Normal postal delivery and collection operations of the USPS were impacted by Hurricane Andrew throughout South Florida to varying degrees from Aug. 23, 1992, through Sept. 12, 1992. By Sept. 12, 1992, the USPS restored delivery and collection operations to all of South Florida with the exception of Homestead.

The PTO is designating the interruption in the service of the USPS in South Florida and the overall destruction caused by Hurricane Andrew as a postal service interruption and an emergency within the meaning of 35 U.S.C. 21(a). Any request to accept a paper or fee delayed by the Hurricane Andrew emergency should be directed to Jeffrey V. Nase, Director, Office of Petitions, (703) 305-9285, PK2-913, for patent-related matters and to Lynne G. Beresford, Trademark Legal Administrator, (703) 305-9464, PK2-910, for trademark-related matters.

Oct. 7, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and Acting
Commissioner of Patents and Trademarks

1144 TMOG 8]

TRADEMARK PUBLICATIONS

(258) **Separation of the Patent and Trademark
Sections of the Official Gazette**

Effective February 2, 1971, the *Official Gazette* will be separated into two parts to be known as the *Patent Official Gazette* and the *Trademark Official Gazette*.

* * * * *

Orders for subscriptions should be addressed to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Also effective February 2, 1971, the *Official Gazette* will no longer contain "Decisions in Patent and Trademark Cases." Decisions of the type heretofore found in the "Decisions in Patent and Trademark Cases" are published by non-Federal organizations such as, for example, the Bureau of National Affairs, Inc., 1231 25th St. NW., Washington, D.C. 20037, and West Publishing Co., 50 Kellogg Blvd., St. Paul, Minn. 55102.

Finally, the "Decisions Leaflet" of the *Official Gazette* will no longer be supplied as a separate subscription item after January 26, 1971. According to present plans, however, both the *Patent Official Gazette* and the *Trademark Official Gazette* will have identical "Patent Office Notices" sections containing notices of the various types heretofore published in the *Gazette* decision leaflet and Trademark Section. Those notices of particular interest to Patent Office employees will be accumulated

and published approximately every fourth week, and distributed separately to employees.

WILLIAM E. SCHUYLER, JR.,
Commissioner of Patents.

Dec. 29, 1970.

[882 O.G. TM 33]

(259) **Changes in Format for Publishing
Trademarks for Opposition**

Because of the adoption of the International classification of goods and services by the United States as of September 1, 1973 (see *Official Gazette* of June 26, 1973, 911 O.G. TM 210), it is necessary to change the arrangement in the *Official Gazette* of the marks published for opposition.

Beginning with the issue of May 7, 1974, the section of the *Official Gazette* entitled "Marks Published for Opposition" will be divided into four sections instead of the present two sections. (For the preceding change from one to two sections, see *Official Gazette* of October 13, 1964, 807 O.G. TM 51.) Sections 1 and 2 will be according to international classification and will contain marks in applications filed on or after September 1, 1973, and Sections 3 and 4 will be according to prior United States classification and will contain marks in applications filed on or before August 31, 1973.

In Section 1, all marks presented in combined applications filed on or after September 1, 1973 for registration in more than one international class will be published with only one reproduction of each mark. The reproduction of the mark will be followed by the international class numbers, and under each class will appear the goods or services in connection with which the mark is used. If the date of first use applies to all classes, it will appear following the last class; otherwise, the dates of use will appear after each class.

In Section 2, all marks presented in applications filed on or after September 1, 1973 for registration in a single class will be published in international class order.

In Section 3, all marks presented in combined applications filed on or before August 31, 1973 for registration in more than one prior United States class will be published with only one reproduction of each mark. The reproduction of the mark will be followed by the prior United States class numbers and titles, and under each class will appear the goods or services in connection with which the mark is used. If the date of first use applies to all classes, it will appear following the last class; otherwise, the dates of use will appear after each class.

In section 4, all marks presented in applications filed on or before August 31, 1973 for registration in a single class will be published in the prior United States class order.

The following explanation will appear under the heading "Marks Published for Opposition":

The following marks are published in compliance with section 12(a) of the Trademark Act of 1946. Applications for the registration of marks in more than one class have been filed as provided in section 30 of said act as amended by Public Law 772, 87th Congress, approved Oct. 9, 1962, 76 Stat. 769. Opposition under Section 13 may be filed within thirty days of the date of this publication. See Rules 2.101 to 2.105.

A separate fee of twenty-five dollars for opposing each mark in each class must accompany the opposition.

Sections 1 through 4 will appear immediately after the above explanation, the sections being designated as follows:

- Section 1. International classification—Application in more than one class
- Section 2. International classification—Application in one class
- Section 3. Prior United States classification—Application in more than one class
- Section 4. Prior United States classification—Application in one class

The same procedure of dividing into four sections will be followed in the notice of the issuance of registrations on the Supplemental Register.

Mar. 22, 1974.

RENE D. TEGTMEYER,
*Assistant Commissioner
for Trademarks.*

[921 O.G. TM 122]

(260) **Change in Official Gazette Entry to Show
Cancellation of Fewer Than All Classes in a
Multiple Class Registration**

Effective with the *Official Gazette* issue of December 16, 1980, there will be a change in the *Official Gazette* listing entitled "Trademark Registrations Cancelled." Beginning with that issue, "Trademark Registrations Cancelled" will list:

- (1) single class registrations cancelled;
- (2) multiple class registrations cancelled in all classes;
- (3) multiple class registrations cancelled in fewer than all classes.

For every entry in the listing, the specific classes cancelled will be included in parentheses, next to the registration number and mark.

For a single class registration and for a multiple class registration in which every class has been cancelled, the class number(s) shown in parentheses will represent every class to which the registration applied.

For a multiple class registration in which fewer than all classes have been cancelled, the *Official Gazette* entry will include the word "only" following the notation of classes in parentheses, for example: (Int. Cls. 12 and 20, only). In this example, the addition of the word "only" would indicate that there are classes in the registration in addition to Classes 12 and 20, but only Classes 12 and 20 have been cancelled.

Oct. 29, 1980.

MARGARET M. LAURENCE,
*Assistant Commissioner,
for Trademarks*

[1000 TM 21]

(261) **Single Copies of the Trademark
Official Gazette**

Members of the public ordering single copies of the Trademark Official Gazette from the Superintendent of Documents are reminded they must specify the date of the issue being ordered.

The date of the issue in which a mark will be published for opposition is shown on The Notice of Publication form mailed to applicants approximately two weeks before the publication date. This date must be included on each single copy order.

Orders received without an issue date may be filled from current weekly stock. The Superintendent of Documents cannot check on whether a particular mark is published in the issue then in stock. If the stock is exhausted at the time the order is received, the order will be returned unfilled.

Mar. 3, 1981.

MARGARET M. LAURENCE,
*Assistant Commissioner
for Trademarks.*

[1004 O.G. 36]

(262) **Inadvertently Issued Registration Numbers**

Effective Jan. 3, 1984, a new sub-section identified as "Inadvertently Issued Registration Numbers" will exist as the last category of cancellations listed under the "Trademark Registrations Canceled" section of the *Official Gazette*.

This new sub-section will provide public notice of the cancellation of registration numbers which have been inadvertently issued by the Patent and Trademark Office.

Nov. 15, 1983.

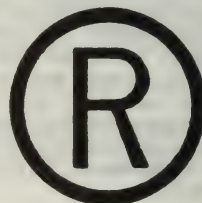
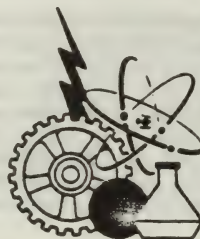
MARGARET M. LAURENCE,
*Assistant Commissioner
for Trademarks.*

[1037 TMOG 16]

(263) **Availability of Patents and
Trademarks Style Manual**

The latest edition of Patents and Trademarks Style Manual will be available to the patent and trademark community soon. This edition will be published as a separate supplement to the GPO Style Manual. It is the first revision since 1973, and will be available in looseleaf form. The cover of this supplement is illustrated below:

**PATENTS AND TRADEMARKS
STYLE MANUAL**



A Supplement to the

**UNITED STATES GOVERNMENT
PRINTING OFFICE
Style Manual**



1984

UNITED STATES PATENT AND TRADEMARK OFFICE

Orders are now being accepted by the Superintendent of Documents. The stock number is 003-004-00606-4. Direct inquiries to:

Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

Checks for orders should be made payable to the Superintendent of Documents. If a Deposit Account with the Superintendent of Documents is to be used, please include the Deposit Account Number with the order.

June 29, 1984.

THERESA A. BRELSFORD,
*Assistant Commissioner
for Administration.*

[1045 TMOG 3]

(264) **USTA Publications of Looseleaf Rules of Practice**

The United States Trademark Association has published *US Trademark Law; Rules of Practice, Forms and Federal Statutes*. The book, in looseleaf format to allow for supplements, includes the trademark Rules of Practice, sample forms, the Lanham Act and applicable provisions and cites of other statutes that deal with trademarks and the Patent and Trademark Office. In content and format, the USTA publication generally replaces the Government Printing Office looseleaf edition of the Rules of Practice which has been discontinued.

Information on ordering copies of *US Trademark Law: Rules of Practice, Forms and Federal Statutes* may be obtained from:

The United States Trademark Association
6 East 45th St.
New York, N.Y. 10017
(212) 986-5880

The Government Printing Office continues to publish the Rules of Practice as Title 37, Code of Federal Regulations, every July. Effective July 1, 1983, however, the CFR edition no longer includes forms.

Apr. 30, 1984. **MARGARET M. LAURENCE,**
Assistant Commissioner
for Trademark.

[1042 TMOG 58]

(266) **Notification of Errors in Trademark Official Gazette**

In view of the establishment of in-house photocomposition of the Trademark Official Gazette, it is important that errors noted by the public be directed to a single office within the Trademark Examining Operation for verification and correction.

Written notification of errors in the publication of marks in the Trademark Official Gazette should include the correspondent's telephone number and should be addressed to the Paralegal Specialist, Office of the Deputy Assistant Commissioner for Trademarks, United States Department of Commerce, Patent and Trademark Office, Washington, D.C. 20231. Error notification may also be done by telephone to the Paralegal Specialist in the Office of the Deputy Assistant Commissioner for Trademarks, at 202-557-3268.

Applicants may use this procedure to notify the Office of errors in relation to marks published in the Official Gazette if the error is purely clerical (e.g. typographical error, drawing printed upside down, or incorrectly stated data). This procedure should not be used to dispute information that is actually of record in the application file. The Paralegal Specialist will review the notification of error and verify the existence of the clerical error, determine whether the error can be corrected without jurisdiction being restored to the Examining Attorney or republication being required, and coordinate the appropriate correction procedure.

Notification must be received by the Office within one week after the Official Gazette publication date to permit processing by the Office.

Apr. 11, 1985. **MARGARET M. LAURENCE**
Assistant Commissioner
for Trademarks.

[1054 TMOG 4]

(265) **Notice to Subscribers**

The Patent and Trademark Office announces a change in the point of contact for subscribers who have not been receiving all of their copies of the Official Gazette, Manual of Patent Examining Procedures Revisions, Annual Indices, or other patent and trademark publications. All correspondence and inquiries concerning subscription services including requests for reinstatement or renewal of subscriptions should be directed to:

Mr. Michael F. DiMario
Assistant Public Printer
Superintendent of Documents (SD)
U.S. Government Printing Office
Washington, D.C. 20401

Furthermore, the Superintendent of Documents advises that expiration notices are sent out approximately three months before the expiration date. However, subscribers should not rely on this schedule. If a notice is not received within two months of the expiration date, the subscriber should renew the subscription with the Superintendent of Documents. Attach a label from the envelope in which the publication is received, together with a check covering the amount of the subscription, if a deposit account with the Superintendent of Documents is to be used, include the deposit account number with the renewal.

This notice is effective with the publication date and supersedes the notice published on this subject in 969 O.G. 2, dated Mar. 14, 1978.

Aug. 3, 1984. **THERESA A. BRELSFORD,**
Assistant Commissioner
for Administration.

[1045 TMOG 24]

(267) **Printing of Use in Another Form Claims**

Effective immediately, all claims of prior use of the subject mark in another form contained in applications for Trademark registrations will be printed in the *Official Gazette* and on the registration certificates according to the following formats:

First used in another form on
First used in commerce in another form on

July 15, 1986. **MARGARET M. LAURENCE,**
Assistant Commissioner
for Trademarks.

[1069 TMOG 4]

(268) **Error in Code of Federal Regulations (C. F. R.) Rule 1.8, 37 C. F. R. 1.8**

The following C. F. R. Correction appeared in the *Federal Register*, at 56 FR 14648, on April 11, 1991:

In the July 1, 1990 revision of title 37 of the Code of Federal Regulations, on page 14, column two, § 1.8, paragraphs (a)(2)(xiv), (xv), and (xvi) were inadvertently placed after paragraph (b). These paragraphs should be correctly placed after paragraph (a)(2)(xiii) and before paragraph (b), in column one.

Rule 1.8 (37 C. F. R. § 1.8), which is entitled "Certificate of Mailing," sets out the conditions for the timely filing by first-

class mail of papers utilizing the Certificate of Mailing procedure. Under Rule 1.8(a)(2), certain papers are excluded from the Certificate of Mailing procedure and will not be considered timely filed if received after the due date, unless deposited as Express Mail in compliance with Rule 1.10 (37 C. F. R. § 1.10). There are sixteen (16) exclusions, numbered 1.8(a)(2)(i) through (xvi). However, the list of exclusions, as printed in the July 1, 1990 revision of the C. F. R., is interrupted at 1.8(a)(2) (xiii) by paragraph 1.8(b), before it resumes with 1.8(a)(2)(xiv) through (xvi). Therefore, at first glance, it appears that there are only thirteen (13) exclusions. The exclusions for statements of use under Rule 2.88; extension requests under Rule 2.89 for filing a statement of use; and amendments to allege use in commerce under Rule 2.76 were inadvertently placed after paragraph (b).

Any applicant who relied to its detriment on the July 1, 1990 revision of the C. F. R. and utilized a Rule 1.8 Certificate of Mailing when filing either a statement of use or an extension request for filing a statement of use, resulting in abandonment of the application, may petition the Commissioner to revive its application. Further, any applicant who filed an amendment to allege use and relied to its detriment on the July 1, 1990 revision to the C. F. R., resulting in its amendment to allege use being considered untimely, may also petition the Commissioner for relief.

Pursuant to Rules 2.66 and 2.146(c), applicant must support its statement of detrimental reliance with an affidavit or declaration in accordance with Rule 2.20, averring that on a specific date between July 1, 1990 and the date of publication of this notice in the *Official Gazette*, petitioner filed one of the three relevant documents pursuant to Rule 1.8; relied on the 1990 revision of the C. F. R.; and believed that the relevant document was not excluded from filing under Rule 1.8 the petition fee is \$100 per application. Rule 2.6(k).

May 15, 1991

JEFFREY M. SAMUELS
*Assistant Commissioner
for Trademarks*

[1127 TMOG 48]

TRADEMARK MISCELLANEOUS

(269) Recording of Documents Affecting Title

The Patent Office is liberalizing its policy concerning the recording of documents, other than assignments, which affect title to trademark registrations and applications. Under Rule 2.185 of the Trademark Rules of Practice, instruments affecting title to a trademark registration or application, and licenses of trademarks which are the subject of trademark registrations or applications, will be recorded even though the recording thereof may not serve as constructive notice under Section 10 of the Trademark Act of 1946, as amended (15 U.S.C. 1060).

June 16, 1971.

WILLIAM E. SCHUYLER, JR.,
Commissioner of Patents

Published in 36 F.R. 13231; July 16, 1971

[889 O.G. TM 2]

(270) International Protection of Government Emblems and Seals

Change of Intent

The Patent and Trademark Office, Department of Commerce, intends to forward only the 50 State seals plus one department seal for each department listed in the publication "Seals and Other Devices in Use at the Government Printing Office" ("Seals") instead of the entire publication, as indicated on page 59366 of the Federal Register of Dec. 23, 1975.

Since the publication had been printed in 1975, it was assumed that few deletions and additions would be necessary.

However, the response to the above notice, along with some necessary deletions, resulted in a large number of seals in the publication requiring deletion. This rendered the publication unacceptable for submission to the World Intellectual Property Organization (WIPO).

Therefore, the Patent and Trademark Office now intends to forward only the 50 State seals along with the departmental seal denoted "No. 1" for each department listed in the "Seals" publication. If this is not the preferred departmental or State seal, the department or State involved is requested to notify the Patent and Trademark Office by Sept. 21, 1976. This notification should either specify the number of the preferred seal, as it appears in the "Seals" publication, or provide a clear, black and white photograph, suitable for reproduction, of the preferred seal. The seal must be no larger than 1 1/2 inches in diameter.

These seals will then be forwarded to WIPO for protection under Article 6^{ter} of the Paris Convention for the Protection of Industrial Property.

Address all correspondence to: Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Aug. 18, 1976.

C. MARSHALL DANN,
*Commissioner of Patents
and Trademarks.*

Published in 41 F.R. 35741

[950 O.G. TM 114]

(271) Recording of "Territorial Assignments" in the Assignment Division of the Patent and Trademark Office

It has been the practice of the Assignment Division for many years to refuse to record "territorial assignments," that is, assignments purporting to transfer rights in a trademark registration (not a concurrent use registration) for less than the entire United States. Hereinafter, such documents will be recorded as long as the requirements of the Rules of Practice are met by the documents submitted.

The Office is not addressing the validity or effect of such documents by recording same, but is merely recognizing that such transfers may affect title to a registered mark and therefore ought to be recorded. At the time a Section 8 affidavit or declaration or an application for renewal is filed, the Examiner of Trademarks will consider the effect of such a document.

Oct. 7, 1977.

BERNARD A. MEANY,
*Assistant Commissioner
for Trademarks.*

[964 TMOG 8]

(272) Clarification of Office Policy Regarding Actions by Assignee of Trademark Applications and Registrations and Issuance of Certificates of Registrations in Name of Assignee

Trademark Rule 2.186, 37 C.F.R. §2.186, permits an assignee to take action regarding a trademark application or registration, provided that: (1) the assignment has been recorded with the Assignment Division of the Patent and Trademark Office, or (2) proof of assignment has been submitted.

Where a trademark application has been assigned, the certificate of registration will issue in the name of the assignee *only* if: (1) the applicant expressly requests in the application record that the registration issue in the name of the assignee, and (2) an appropriate document is of record in the Assignment Search Room. To ensure that the registration issues in the name of the new owner, the assignee/applicant bears the burden of both recording the document(s) with the Assignment Division and notifying the Examining Attorney of the recordation of the assignment.

While a party taking an action under Section 8 or 9 of the Trademark Act may establish its ownership without recording the appropriate documents with the Assignment Division, there

are certain benefits gained from recordation. Specifically, only when the necessary documents have been duly recorded in the Assignment Division will a certified copy of a registered mark, with title and/or status, reflect the true owner of the registration. In addition, recordation is required for the renewal certificate and the Section 8 acceptance notice to be issued in the name of the current owner.

Jan. 8, 1992

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1135 TMOG 43]

(273) DEPARTMENT OF COMMERCE
Patent and Trademark Office
37 CFR Parts 1, 2 and 3
[Docket No. 910246-2140]
RIN 0651-AA43

Changes in Patent and Trademark Assignment Practice

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: The Patent and Trademark Office (Office) is amending the rules of practice regarding assignments in patent and trademark cases to improve and clarify the rules, to codify changes in practice and to consolidate the rules. The Office has combined the assignment rules currently in Parts 1 and 2 into a new Part 3 directed to assignments.

Effective Date: Sept. 4, 1992. These rules will be applicable to all documents filed with the Office on or after the effective date.

For Further Information Contact: Trademark related matters: Lynne Beresford by telephone at (703) 305-9464 or by mail marked to her attention addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Patent related matters: Jeffrey V. Nase by telephone at (703) 305-9282 or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Box DAC, Washington, D.C. 20231.

Supplementary Information: In a Notice of Proposed Rulemaking published in the Federal Register on May 10, 1991 at 56 FR 21641 and in the Patent and Trademark Office "Official Gazette" of June 4, 1991 at 1127 O.G. 8-16, the Office proposed to amend the rules of practice in patent and trademark cases to revise, simplify, remove, or clarify existing assignment rules or to codify certain practices currently in effect. Changes were proposed for rules relating to the documents that will be recorded, to the requirements for recording a document, to the effect of recording, to new cover sheet requirements, to the appointment of domestic representatives; and to prosecution by assignees and issuance to assignees. While the existing rules do not require a cover sheet to accompany each document submitted for recording, typically a cover letter is submitted to ensure proper processing of the document.

The Office has encouraged the public to use a cover letter containing specific information concerning the document being submitted with each document submitted for recording. See "Helpful Hints", 1114 *Official Gazette* 77 (May 29, 1990). The public has adopted the suggested procedure to such an extent that most documents now submitted for recordation are accompanied by a cover letter which contains the suggested data. Documents submitted with these cover letters have enabled the Office to greatly improve the quality and efficiency of the recording process. To better ensure that the correct data is captured in recordation and recorded promptly, the Office is making a cover sheet mandatory. The cover sheet will contain all the information necessary for the Assignment Branch to properly and promptly process the document.

Written comments were submitted by 12 firms, 2 individuals, 4 corporations and 1 organization. No one testified at the oral hearing held on July 17, 1991.

The following includes a brief discussion of the rules being changed and the reasons for those changes, a detailed section-by-section analysis of the final rules, and an analysis of the comments received in response to the notice of proposed rulemaking.

Specific Rules to be Deleted or Added: The existing rules of practice in Parts 1 and 2 of Title 37 of the Code of Federal Regulations which are deleted are §§ 1.32, 1.331, 1.332, 1.333, 1.334, 2.185, 2.186 and 2.187. These rules are deleted in their entirety and rewritten and renumbered under a new Part 3. Table 1 is provided to assist readers in correlating previous rules with the new rules.

TABLE 1

Old Section	New Section
1.32	3.71 & 3.73
1.331(a)	3.11
1.331(b)	3.26
1.331(c)	3.21
1.332	3.51
1.333	3.56
1.334	3.81
2.185(a)	3.11
2.185(a)(1)	3.31
2.185(a)(2)	3.26
2.185(a)(3)	3.41
2.185(a)(4)	3.61
2.185(b)	3.31(b)
2.185(C)	3.51
2.186	3.71 & 3.73
2.187	3.85

Consideration was given to moving § 1.12 (Assignment records open to public inspection.) to Part 3. However, since this section primarily relates to records maintained by the Office and procedures for accessing those records, and no comments were received regarding the placement of § 1.12, this section remains under the general heading "Records and Files" of the Patent and Trademark Office.

Discussion of Specific Rules to be Changed or Added: Section 1.12(a) is revised to reflect the fact that all assignment records related to pre-1955 trademark records and pre-1957 patent records were transferred to the National Archives and Records Administration (NARA) during 1990. All assignments recorded on or after January 1, 1955, for trademarks and May 1, 1957, for patents continue to be maintained by the Office. The pre-1955/1957 records have been transferred to NARA to allow for greater accessibility to the public, improvement of file integrity for the older records, and preservation of these materials. The pre-1955/1957 assignment cards, digest books, and libers were stored in four locations: the Assignment Search Room (ASR) at the Office, the Federal Records Center in Suitland, Maryland, the National Archives in downtown Washington, D.C., and the National Archives location in Alexandria, Virginia. Storage of information in these various locations made searching of old assignment records difficult. The materials located at the Federal Records Center could be ordered from the ASR. However, many times it took months to receive the materials.

All assignment records from 1837 to December 31, 1954, for trademarks and from 1837 to April 30, 1957, for patents are now maintained and are open for public inspection in the National Archives Research Room located at the Washington National Records Center Building, 4205 Suitland Road, Suitland, Maryland 20746. Assignments recorded before 1837 are maintained at the National Archives and Records Administration, 841 South Pickett Street, Alexandria, Virginia 22304.

All requests for abstracts of title continue to be provided by the Office upon request and payment of fees set forth in §§ 1.19 and 2.6. Requests for copies and certified copies of the pre-1955 records for trademarks and pre-1957 records for patents should be directed to NARA since those records are not maintained by the Office. Since these records are maintained by NARA, it is more expeditious to request copies directly from NARA, rather than the Office, which would then have to route the requests to NARA. Payment of the fees required by NARA should accompany all requests for copies.

Another change makes clear that separate assignment records are kept for patents and trademarks, and that an extra charge will be imposed by the Office on requests for copies of recorded assignments if the correct reel and frame number are not identified.

Sections 1.17 and 1.46 are amended to make reference to § 3.81, which replaces § 1.334, and delete reference to § 1.334.

The amount of the fee for recording a document is not affected by this rule change.

Section 1.104(e) is amended to make reference to Part 3, which replaces § 1.331, and delete reference to § 1.331.

Section 3.1 is added to set out definitions of terms used in Part 3. Terms which are defined include "application," "assignment," "document," "Office" (meaning Patent and Trademark Office), "recorded document," and "registration." Definitions are provided to make clear the intended meanings of the terms used in Part 3. These definitions are intended to be applicable only to Part 3. For example, the term "application" is defined, for the purpose of Part 3, to mean a national application for patent, an international application for patent that designates the United States of America, or an application to register a trademark, unless otherwise indicated.

Section 3.11 replaces and modifies the practice set forth in §§ 1.331(a) and 2.185(a), which specify the documents the Office will record. This section specifies that assignments of patents and registrations will be recorded, as well as other documents which affect title to applications, registrations and patents. Section 3.11 requires that a completed cover sheet as specified in §§ 3.28 and 3.31 be submitted with the document to be recorded.

Section 3.16 is added to incorporate the limitation set out in 15 U.S.C. § 1060 proscribing the assignment of an intent-to-use trademark application prior to the filing of a statement of use, except as a part of the sale of an on-going business. Because the rules in Part 3 are intended to address all rules relating to assignments, it is appropriate to refer to the statutory requirements of an assignment of an intent-to-use trademark application.

Section 3.21 replaces and modifies the practice of § 1.331(c). Section 3.21 sets forth requirements for the identification of patents or patent applications in documents submitted for recording. An assignment relating to a patent must identify the patent by number. The name of the inventor, the issue date, and title of the invention as stated in the patent may also be given in the assignment to provide additional information on the patent being assigned. An assignment relating to a national patent application must identify the national patent application by application number (consisting of the series code and the serial number, e.g., 07/123,456) or serial number and filing date. An assignment relating to an international patent application which designates the United States of America must identify the international application number (e.g., PCT/US90/01234). The name of the inventor, date of filing, and title of the invention as stated in the patent application may also be given in the assignment. If an assignment is executed concurrently with, or subsequent to, the execution of the patent application, but before the patent application is filed, it must identify the patent application by its date of execution, name of each inventor, and title of the invention so that there can be no mistake as to the patent application intended. Assignments submitted for recording that do not identify the patent or patent application as required by this section will not be recorded, but will be returned to the correspondence address that is required to be provided on the cover sheet by § 3.31(e).

Section 3.24 is added to set out formal document requirements to facilitate and expedite the recording process. This section requires that documents, either the original or a true copy of the original, submitted for recording be legible, using only one side of each page. The paper used should be flexible, white, durable, and preferably no larger than 21.6 x 33.1 cm. (8 x 14 inches), with a 2.5 cm. (one-inch) margin on all sides. Documents submitted in this form are camera-ready and can be recorded expeditiously with little additional handling required. Documents that fail to meet the legibility and single-sided paper requirements of this section will be returned as set forth in § 3.51.

Section 3.26 replaces and modifies the practice of §§ 1.331(b) and 2.185(a)(2). Section 3.26 provides that the Office will accept and record non-English documents provided they are accompanied by a verified English translation signed by the translator. Documents submitted that fail to meet the requirements of this section will be returned as set forth in § 3.51.

Section 3.27 is added to set out how documents submitted for recording should be addressed to the Office. To ensure prompt and proper processing, documents and their cover sheets should be addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231, unless they are filed together with new applications or with a petition under §

3.81(b). Petitions under § 3.81(b) should be addressed to the Commissioner of Patents and Trademarks, Box DAC, Washington, D.C. 20231. New applications and other petitions should be addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Section 3.28 is added to set out the requirement that all documents submitted to the Office for recording be accompanied by at least one cover sheet referring either to the patent applications and patents or to the trademark applications and registrations against which the document is to be recorded. Only one set of documents and cover sheets to be recorded should be filed. If a document to be recorded includes interests in, or transactions involving, both patents and trademarks, separate patent and trademark cover sheets must be submitted. If a document to be recorded is not accompanied by a completed cover sheet, the document and any incomplete cover sheet will be returned to the correspondence address for proper completion of the cover sheet and resubmission of the cover sheet and document. While the previous rules did not require a cover sheet to accompany each document submitted for recording, typically a cover letter is submitted to ensure proper processing of the document. The Office is making a cover sheet mandatory in order to better ensure prompt and proper processing of all documents submitted for recording. The cover sheet contains all the information necessary for the Office to process the document.

Section 3.31 is added to set out the formal requirements of the cover sheet. Section 3.31 requires that each patent or trademark cover sheet must contain (1) the name of the party conveying the interest; (2) the name and address of the party receiving the interest; (3) a brief description of the interest conveyed or transaction to be recorded (e.g., assignment, license, change of name, merger, security agreement, etc.); (4) each application number, patent number or registration number against which the document is to be recorded, or an indication that the document is filed together with a patent application; (5) the name and address of the party to whom correspondence concerning the document to be recorded should be mailed; (6) the number of applications, patents or registrations identified in the cover sheet and the total fee; (7) the date the document was executed; (8) an indication that the assignee of a trademark application or registration who is not domiciled in the United States has designated a domestic representative; (9) a statement by the party submitting the document that to the best of the person's knowledge and belief, the information contained on the cover sheet is true and correct, and (10) the signature of the party submitting the document. The term "party" as used in this rule means the person whose name appears on the documents to be recorded, that person's attorney or registered agent, or a corporate officer where a corporation's name appears on the document. Sample cover sheets for patent documents and for trademark documents are shown in Appendices A and B.

Section 3.34 is added to set out the procedure to correct obvious errors in a recorded cover sheet. This section requires that if a recorded cover sheet contains an error that is apparent when the cover sheet is compared with the recorded document, the error will be corrected only if a corrected cover sheet is filed for recordation. The corrected cover sheet must be accompanied by the originally-recorded document or a copy of the originally-recorded document and by a new assignment recording fee in the appropriate amount.

Section 3.41 replaces and consolidates practice under §§ 1.331(a) and 2.185(a)(3) regarding recording fees. Section 3.41 requires that all requests to record documents be accompanied by the appropriate fee. A fee is charged for each application, patent and registration identified in the cover sheet. The recording fee for patents and patent applications is specified in § 1.21(h). The recording fee for trademark registrations and applications is specified in § 2.6(q).

Section 3.51 replaces and modifies the practice of §§ 1.332 and 2.185(c). Section 3.51 sets the date of recording of a document as the date the document meeting the requirements for recording set forth in this Part is filed in the Office. A document which does not comply with the identification requirements of § 3.21 will not be recorded. For documents not accepted for recording, parties can petition under 37 CFR §§ 1.181 and 2.146(a). Other documents not meeting the requirements for recording, for example, a document submitted without a completed cover sheet, without the required fee, or without any

required translation, will be returned for correction to the sender when a return address is available. The returned papers, stamped with the official date of receipt in the Office, will be accompanied by a letter indicating that if the returned papers are corrected and resubmitted to the Office within time specified in the letter, the Office will consider the original date of filing of the papers as the date of recording of the papers. Submitters can use the certificate procedure under either § 1.8 or § 1.10 for resubmissions of returned papers if they desire to have the benefit of the date of deposit in the United States Postal Service. If the returned papers are not corrected and resubmitted within the specified period, the date of filing of the corrected papers will be considered to be the date of recording of the papers. Extensions of time will not be available to extend the specified period to resubmit the returned papers.

Section 3.54 is added to set out the effect of recording a document. This section states that the recording of a document is not a determination by the Office of the validity of the document or the effect that document has on the title to an application, a patent, or a registration. The Office will determine, when necessary, what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office. Examples of when the Office will need to determine whether a party has the authority to take an action in a matter pending before the Office include: (1) prosecution by the assignee as in § 3.71; (2) consent of an assignee to the filing of a reissue application as provided in § 1.172; and (3) execution of a disclaimer under § 1.321 by an assignee.

Section 3.56 replaces and modifies the practice of § 1.333. Section 3.56 provides that an assignment, which at the time of its execution is conditional on a given act or event, will be treated by the Office as an absolute assignment. This section serves as notification as to how a conditional assignment will be treated by the Office in any proceeding requiring a determination of the owner of an application, patent or registration. Since the Office will not determine whether a condition has been fulfilled, the Office will treat the submission of such an assignment for recordation as signifying that the act or event has occurred.

Section 3.61 replaces and modifies the practice of § 2.185(a)(4). Section 3.61 sets forth that an assignee of a trademark application or registration not domiciled in the United States must designate a domestic representative in writing to the Office. Assignees of patent applications or patents may designate domestic representatives if the assignee is not residing in the United States. 35 U.S.C. § 293. The designation is required to state the name and address of a person residing within the United States on whom may be served process or notice of proceedings affecting the application, patent or registration or rights thereunder.

Section 3.71 replaces and modifies the practice of §§ 1.32 and 2.186. Section 3.71 sets forth that the assignee of record of the entire right, title and interest in an application for patent is entitled to conduct the prosecution of the patent application to the exclusion of the named inventor. Similarly, the assignee of an application for registration is entitled to conduct the prosecution of the trademark application to the exclusion of the applicant.

Section 3.73 is added to set out the procedure by which an assignee can establish the right to take action in an application, patent or registration. The inventor is presumed to be the original owner of a patent application and any patent that may issue therefrom, unless there is an assignment. The original applicant is presumed to be the original owner of a trademark application and any registration that may issue therefrom, unless there is an assignment. Any action before the Office with respect to an assigned patent application, patent, or reexamination may be taken by the assignee of the entire right, title, and interest, provided ownership is established to the satisfaction of the Commissioner. The assignee may establish ownership by submitting to the Office documentary evidence of a chain of title from the original owner to the assignee or by specifying (e.g., reel and frame number, etc.) where such evidence is recorded in the Office. Additionally, when a patent assignee is not represented by an attorney or registered agent, a statement signed by the assignee must also be submitted stating the evidence has been reviewed and certifying that, to the best of the party's knowledge and belief, title is in the party seeking to take the action. Documents submitted to establish ownership may be required to be recorded in the Office as a condition to permitting the requesting

party to take action in a matter pending before the Office. Any action before the Office with respect to an assigned trademark registration, application or post-registration matter, may be taken by the assignee provided ownership is established to the satisfaction of the Commissioner by recording an assignment to the assignee or by submitting other proof of the assignment.

Section 3.81 replaces and modifies the practice of § 1.334. Section 3.81 sets forth the procedure for issuance of a patent to an assignee. If an assignment of the entire right, title, and interest is recorded before the issue fee is paid for a patent application, the patent may issue in the name of the assignee. If the assignee holds an undivided part interest, the patent may issue jointly to the inventor and the assignee. At the time the issue fee is paid, the name of the assignee must be provided if the patent is to issue solely or jointly to that assignee. If the assignment is submitted for recording after the date of payment of the issue fee, but prior to issuance of the patent, the assignee may petition that the patent issue to the assignee. Any such petition must be accompanied by the fee set forth in § 1.17(i)(1).

Section 3.85 replaces and modifies the practice of § 2.187. Section 3.85 sets forth the procedure for issuance of a registration to an assignee. The certificate of registration may be issued to the assignee of the applicant, or in a new name of the applicant, provided that the party files a written request in the trademark application record by the time the application is being prepared for issuance of the certificate of registration, and an appropriate document is recorded in the Office. If the assignment or name change document has not been recorded in the Office, then the written request must state that the document has been filed for recordation. The address of the assignee must be made of record in the trademark application file.

Response to Comments on the Rules

The comments received in response to the notice of proposed rulemaking have been given careful consideration and a number of the suggested modifications have been adopted. The comments and responses are discussed below.

In this discussion, "Patent and Trademark Office" is abbreviated as "Office" or "PTO."

Comment: Two comments were received addressed to the overall rule package. One comment expressed concern over the potential confusion of instituting a new Part 3. It was suggested that Parts 1 and 2 be amended to contain the necessary changes. Another comment was concerned that the rules and specifically the new cover sheet requirement would impede promptness and accuracy of the recordation process.

Response: The Office has determined that the new rules will result in greater efficiency and accuracy in the recordation process and improve the integrity of the records maintained by the PTO. Further, the PTO believes that a new Part 3, containing all rules relating to assignments, will be beneficial to the majority of patent and trademark system users.

Comment: Section 3.1 was proposed to define "application" as an application for patent or an application to register a trademark. One comment questioned whether international applications filed under the Patent Cooperation Treaty were included in the definition of the word "application."

Two comments were received concerning the definition of "assignment." As proposed, § 3.1 defines "assignment" of a trademark in terms of a "trademark application" or "registration." The comments suggested that because Section 10 of the Trademark Act, 15 U.S.C. § 1060, speaks in terms of a "registered mark" or a "mark for which application to register has been filed," which was reflected in previous trademark rule 2.186, the different terminology may be construed to permit assignment of a trademark without assignment of the underlying goodwill.

Response: The wording of § 3.1 has been changed to include both national applications for patent and international applications that designate the United States in the term "application."

Also to avoid any potential confusion over the definition of a trademark assignment, the Office adopted the suggestion to reflect Section 10 of the Trademark Act and to refer to a "registered mark" or a "mark for which application to register has been filed" in its definition of assignment.

Comment: As proposed, § 3.16 provides that an application to register a mark under 15 U.S.C. § 1051(b) cannot be assigned before a statement of use is filed except to a successor to an ongoing business of the original applicant. One comment sug-

gested § 3.16 be further amended to correct a legislative oversight and permit assignment of the application after an amendment to allege use is filed.

One other comment suggested the PTO define the statutory language "successor to the business of the applicant."

Response: As proposed, Rule 3.16 merely restates the statute. To permit the filing of an assignment to a successor to an ongoing business before an amendment to allege use has been filed would make the rule inconsistent with the statute.

As to the definition of "successor to the business of the applicant," it has been determined that in the absence of any statutory definition, it is better left to case law to establish the meaning. A business, or portion thereof, can be transferred or assigned in a variety of ways, and the question of valid ownership might arise in a variety of circumstances. For the PTO to define what constitutes a successor may be duly restrictive.

Accordingly, the suggested modifications have not been adopted.

Comment: Section 3.21, as proposed, provides that an assignment of a patent or patent application must be identified by number. One comment requested a further amendment to allow the filing of a patent assignment after filing an application for patent but before knowing the application number by allowing identification by the execution date, inventors and title of the invention instead of the application number.

Another comment suggested that assignments relating to trademark applications and registrations should also be required to have the identifying serial and registration numbers within the body of the assignment document.

One comment questioned whether the patent identification number was required in the document or whether the number could just appear on the cover sheet.

Response: Providing the identifying number in the assignment document allows for greater efficiency and accuracy in recording assignments. However, unlike patents, trademarks can have an indefinite life. Assignments may be recorded years after an assignment has occurred to clear up the chain of title. It may not be possible to execute a new assignment to include identifying numbers in the document years later. Accordingly, it is preferable for the PTO to be more flexible in recording trademark assignments which may contain the identifying number in the cover sheet rather than in the document itself. Because of the nature of a patent, less flexibility is permitted. Patent rights, unlike trademark rights, do not exist apart from the issued patent. Accordingly, when an interest in a patent is transferred, the patent identifying number must be in the assignment document. This requirement only applies to assignments, not to documents other than assignments.

The PTO makes every effort to provide applicants with the application numbers for newly-filed patent applications as soon as possible. It is suggested, however, that assignment documents may be written to allow entry of the identifying number after the execution of the assignment. An example of acceptable wording is: "I hereby authorize and request my attorney, (Insert name), of (Insert address), to insert here in parentheses (Application number _____, filed) the filing date and application number of said application when known."

Accordingly, the suggested modifications have not been adopted.

Comment: Section 3.24, as proposed, provides the formal requirements for the documents which are to be recorded and the cover sheet. Three comments stated that the one-side only requirement was unreasonable in light of PTO's issuance of two-sided patent and trademark copies and of the practices of other governments and corporations over which the submitter would have no control.

One comment requested clarification of "bond weight paper" and suggested the language used in the rules setting out drawing requirements be adopted.

One comment stated that the document size requirements should only pertain to documents prepared and executed by parties who wish to convey title.

Two comments questioned whether the PTO would permit the filing of copies or true copies in lieu of the original documents for recording.

Response: The formal requirements set out in § 3.24 are related to PTO's ability to capture on film papers filed with the PTO. The requirements are not related to the other printing or

photocopying services PTO provides. Micrographics reproduction requires that only one side of each page be used for efficiency. If the original document is two-sided or the wrong size, the practitioner can comply with this requirement by providing a true copy of the original document using only one side of each page on the correct size paper. The language in § 3.24 has been changed to clarify that true copies or originals are acceptable. Further, the language describing the type of paper to be used has been changed to be consistent with the drawing requirement rules.

Comment: Section 3.28, as proposed, provides that all requests to record a document must be accompanied by the document to be recorded and at least one cover sheet. One comment expressed confusion over whether the document must be accompanied by a cover letter as well as a request for recording. One comment stated the requirement for a cover sheet did not help the PTO with the documents which are file with applications and the commenter did not see the need for an additional paper included among the papers for a new application.

Response: The first sentence has been rewritten to clarify that only the document and a cover sheet(s) must be submitted. A separate request for recording is not required or needed. Because the cover sheet provides all pertinent information in one place, it will greatly assist the processing of assignments by the PTO. For those applications which are filed with an assignment, the additional cover sheet required for the assignment aids the processing of the assignment.

Comment: Numerous comments were received on the proposed cover sheet requirements of § 3.31. One comment questions whether the form or the contents of the form are being required and cautioned that the cover sheet should not become a technical obstacle to recordation.

Two comments claimed the cover sheet requirement would be burdensome and the documents recorded should speak for themselves.

Two comments objected to the requirement for the characterization of the interest being conveyed. One of the commentors indicated it was not the best evidence of what the interest is and may be misleading while the second commentor was concerned practitioners would be subject to malpractice claims and be made parties to litigation involving the transfer.

One comment stated that requiring the assignee's address was burdensome and excessive. Three comments questioned the lack of consistency between proposed subsections (a) and (b) of § 3.31 which requires only the name of the conveyor but both the name and address of the receiver.

Two comments stated that the language of the rule was unclear as to whether the list of properties within the assignment document should be retyped on the cover sheet, which would be burdensome and fraught with potential errors.

One comment was received suggesting that properties be identified with as much information as possible (i.e., serial number, patent number, filing date, inventors, etc.).

Four comments stated that the requirement for an execution date of the document is excessive and burdensome. One of the comments stated that the execution date may not be as important as the effective date of the document. One suggested the effective date would be more accurate and another suggested the document should speak for itself. One additional comment stated that a nunc pro tunc assignment of the substantive rights of an assignee or assignor may be unduly affected by the requirement for recitation of the execution date.

Nine comments were received objecting to the language of the proposed verification. Some comments recommended that the verification statement be deleted. Other comments recommended that the verification statement be based on "information and belief." The comments indicated (1) practitioners did not want to be held responsible for the information entered on the cover sheet, (2) there was no purpose served by signing the cover sheet because the documents should speak for themselves and (3) under 37 C.F.R. § 10.18, a registered practitioner's signature indicates that the filing is correct.

One comment suggested that proposed § 3.31(i) does not recognize the right of some non-lawyers to practice in trademark matters before the PTO.

Additionally, many comments and suggestions were received on the layout of the sample cover sheets.

Response: The proposed purpose of the cover sheet is to provide a synopsis of the vital information contained in a recorded document. The cover sheet form itself is not required, only the information outlined in § 3.31 is required. Use of the sample cover sheet formats appearing as Appendices A and B to the rule package is encouraged. The Office will make paper copies of the sample cover sheets available for customer use. Persons wishing to obtain paper copies of the sample cover sheets should contact the Public Service Center at (703) 305-HELP. Questions regarding the sample cover sheets should be directed to the Assignment and Certification Services Division at (703) 308-9700.

As indicated in the proposed rule package, a majority of documents presently filed for recording are accompanied by a cover letter containing much of the information required in § 3.31. The PTO does not believe standardization of the information submitted is an undue burden. Standardization ensures easy reference to all critical information. Further, the parties or their representatives are in a better position to know or ascertain the nature of the interest involved than the PTO. The document will always speak for itself. However, a characterization assists in putting others on notice as to the nature of the transaction.

It was determined that a verification is not required. The language has been changed to a statement on the cover sheet based on "information and belief." Further, § 3.31(i) has been divided into two paragraphs, one for the statement that is required and one for the signature.

The address of the assignee or receiving party is vital information for maintaining complete assignment records. The original owner is the applicant, for which the Office has the address of record. Each subsequent assignee address is then obtained under this requirement and is of record if the PTO or public needs to contact the present assignee. The execution date is required to determine whether an assignment has been recorded within three months provided in 35 U.S.C. § 261 and 15 U.S.C. § 1060.

When there is a listing of properties contained within a document, any listing may be copied and attached to the cover sheet to reduce the amount of typing necessary. A notation of this attachment can be made in lieu of entering every property identification number on the cover sheet. Should submitters provide information in addition to that required by § 3.31, it is always welcome, but not required.

The comments received on the layout of the sample cover sheets have all been considered and some modifications have been made. However, the sample cover sheet is not required and it is not part of the rules.

Comment: Section 3.34, as proposed, provides for correction of errors in a recorded cover sheet when the error is apparent by comparing the information on the cover sheet with the recorded document itself. One comment received expressed confusion regarding the correction procedure. Another comment suggested that corrections should not be limited to apparent errors.

Response: The PTO will not compare the cover sheet with the original documents during the recording process except to assure that application and patent numbers are present in patent assignments. Otherwise, it will only check to see that the cover sheet is complete. When a submitter discovers an obvious error on the recorded cover sheet, the PTO will consider a request to correct it when it receives: (1) the original recorded document (or a copy); (2) a corrected cover sheet; and (3) the appropriate fee for each property to be corrected. The PTO will then compare the cover sheet with the document to determine whether the error is apparent on its face. If the error is obvious, the corrected cover sheet will be recorded and the respective Office records corrected. If the error is not obvious, the procedure set forth in the Manual of Patent Examining Procedure, MPEP § 323 will govern for patents and the procedure set forth in *In re Abacab International Computers Ltd.* (Assignee of IHEC, Ltd.), 21 USPQ2d 1078 (Comm'r Pats. 1987), on reconsideration, 21 USPQ2d 1079 (Comm'r Pats. 1988) will govern for trademarks. Submitters may also petition under § 1.833 or § 2.146 for other corrections. Typographical errors made by the Office will be corrected without charge when brought to our attention.

Accordingly, the suggested modification has not been adopted. The rule has only been changed to correct a cross reference.

Comment: As proposed, § 3.51 provides that the date of recording is the date all of the required information is filed in the Office. Incomplete documents will be returned. If the returned documents are resubmitted timely, the document will retain the

date on which it was received as incomplete. Two comments were received regarding the time period to be set by the PTO. One comment indicated that any delay may affect the requirements of 15 U.S.C. § 1060. It was therefore recommended that the PTO make some type of "conditional entry" in the records indicating an assignment has been submitted so interested members of the public could ascertain that there may be an effective recording date. The other comment suggested the time period for resubmission be long enough to allow communication with foreign parties, but it should be no longer than six months.

Response: After a review of the proposed rule, it was determined that the language of § 3.51 should be clarified to reflect that the originally-submitted papers with the official Office date stamp indicating the original receipt date in the Office must be returned in order to retain the original date. It is the intent of the PTO to set the time for response at one month from the date of mailing of the returned documents from the PTO. It is believed that most correctable errors will involve an incomplete cover sheet or the amount of the fee submitted, both of which can be corrected within one month.

Further, it is the policy of the PTO to make of record only those documents which meet the requirements for recording. It is not beneficial to cloud title to properties with potential transfers.

Comment: Section 3.56, as proposed, is a restatement of former § 1.333 and is made applicable to trademarks. It provides that an assignment which is made conditional upon a condition subsequent will be regarded by the Office as an absolute assignment. One comment was received inquiring as to whether § 3.56 applied to security interests, another was received requesting a reference in the rules to recording of security agreements.

Response: Section 3.56 is applicable only to assignments, as they are defined by § 3.1, that is, a transfer of right, title and interest in a patent or a trademark. A security interest or a security agreement is in the nature of a lien, not an assignment. Accordingly, § 3.56 would not apply to security interests or security agreements which are also recordable. It applies to conditional assignments because the Office has no way of determining whether and when conditions are satisfied and therefore must address this type of assignment in a uniform manner. The reference to the recordability of security agreements is referred to here in the final rule package.

Comment: The second sentence of § 3.71, as proposed, provides: "[t]he assignee of record of the entire right title and interest in a trademark application or registration is entitled to conduct the prosecution of the trademark application or registration to the exclusion of the original applicant or previous assignee." One comment suggested, as had been recommended for the definitions in § 3.1, that language be adopted consistent with Section 10 of the Trademark Act, 15 U.S.C. § 1060, so there be no confusion as to what can be assigned in the trademark area and further, that the language requiring "entire right, title and interest" be deleted.

Response: As was the case with the PTO's review of § 3.1, the language in § 3.71 has also been modified to eliminate any confusion. Accordingly, § 3.71 now provides for assignments of registered marks or a mark for which an application for registration has been filed, making it consistent with § 3.1. While this change cannot prevent assignments from being made without the underlying goodwill, it may eliminate some confusion.

Comment: Section 3.73, as proposed, provided that a full assignee could take any action before the Office with respect to the assigned application, patent, or registration provide ownership is established to the satisfaction of the Commissioner. The rule further provided that ownership could be established by providing documentary evidence of the chain of title to the assignee. The assignee was also required to submit a verified statement stating the evidence had been reviewed and certifying to the best of the party's belief, title is in the party seeking to take the action. The Office reserved the right to require recordation of any ownership documents. One comment suggested the procedure was too "elaborate" and "confusing" to permit the submitting party to act rapidly. Another comment suggested the Office use the language of former § 2.186 which only required "the assignment has been recorded or that proof of the assignment has been submitted" to enable action by the assignee.

Another comment suggested that a simple statement identifying the documents thought to place ownership in a party should be sufficient. It was believed that no additional benefit accrued by having the party state that they believed they were entitled to

take the action because whether or not a party can act is a determination the PTO must make.

Two comments suggested that a literal reading of the rule would require every paper filed on behalf of an assignee be accompanied by a proof of ownership. One comment suggested it was too harsh to preclude a party from taking action in a trademark matter until proof of ownership is established to the satisfaction of the Commissioner. Rather, it was suggested that a party be permitted to take action once documents establishing ownership are filed.

One comment received pointed to the proposed language of § 3.73 providing the statement must be signed by the party or its attorney or agent of record which was a greater requirement than § 1.34(a), if that was intended.

Another comment suggested that the proposed language be changed by deleting the provision that ownership must be established to the satisfaction of the Commissioner and substituting therefore "provided the assignee is owner of the entire right, title, and interest in the patent application, patent, registered mark or mark for which an application for registration has been filed."

One final comment suggested that § 3.73 be changed to specifically set forth that it applied to secure Office acceptance of a Section 8 or 15 affidavit or a Section 9 application, 15 U.S.C. §§ 1058, 1059, for trademark filings, and requested examples of the types of documents necessary to establish ownership.

Response: Ownership need only be established the first time the new party wants to act in patent and trademark cases, provided the appropriate documents are recorded. Section 3.73(b) is modified to provide that a statement of ownership need only be provided when a patent assignee wishes to act on a matter. For patents, the PTO believes it is appropriate for the patent assignee to review the documents it believes establishes its ownership prior to filing a paper signed by that assignee. Additionally, the statement will certify that to the best of the assignee's knowledge and belief, title is in that assignee. This will establish, to the satisfaction of the Commissioner, that the assignee knows of no other document establishing title in someone other than the assignee. The PTO will still make the determination of whether the assignee is entitled to take action after a review of the documents.

For trademarks the action sought to be taken can be submitted simultaneously by the party. The action will be examined as will the claim of ownership and the party will be notified whether it is satisfactory. As in the past, "any action" refers to post-registration documents as well.

Other Considerations

The rule changes are in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.), Executive Orders 12291 and 12612 and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The principal impact of these changes is to require that a cover sheet accompany each document submitted for recording. The rule change includes no additional or increased fees. Substantive rights to use trademarks and patents are not adversely affected.

The Office has determined that these rule changes are not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. Because most of the changes reduce procedural burdens, there will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

These rule changes contain a collection-of-information requirement subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. The rule changes add a requirement for a cover sheet to be submitted with each document to be recorded that will expedite the recording process and improve quality. This collection of information requirement is cleared under OMB Control No. 0651-0011. The public reporting burden for

this requirement is estimated to be *one-half* hour per filing, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collections of information.

The Office has also determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirement.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

37 CFR Part 3

Administrative practice and procedure, Inventions and patents, Trademarks, Reporting and recordkeeping requirement.

For the reasons set out in the preamble and pursuant to the authority contained in 15 U.S.C. 1123 and 35 U.S.C. 6, parts 1, 2 and 3 of title 37 of the Code of Federal Regulations are amended as set forth below.

PART I - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.12 paragraphs (a) and (d) are revised to read as follows:

§ 1.12 Assignment records open to public inspection.

(a) (1) Separate assignment records are maintained in the Patent and Trademark Office for patents and trademarks. The assignment records, relating to original or reissue patents, including digests and indexes, for assignments recorded on or after May 1, 1957, and assignment records relating to pending or abandoned trademark applications and to trademark registrations, for assignments recorded on or after January 1, 1955, are open to public inspection at the Patent and Trademark Office, and copies of those assignment records may be obtained upon request and payment of the fee set forth in §§ 1.19 and 2.6 of this Chapter.

(2) All records of assignments of patents recorded before May 1, 1957, and all records of trademark assignments recorded before January 1, 1955, are maintained by the National Archives and Records Administration (NARA). The records are open to public inspection. Certified and uncertified copies of those assignment records are provided by NARA upon request and payment of the fees required by NARA.

(d) An order for a copy of an assignment or other document should identify the reel and frame number where the assignment or document is recorded. If a document is identified without specifying its correct reel and frame, an extra charge as set forth in § 1.21(j) will be made for the time consumed in making a search for such assignment.

3. Section 1.17 is amended by revising paragraph (i)(1) to read as follows:

§ 1.17 Patent application processing fees.

(i)(1) For filing a petition to the Commissioner under a section of this part listed below which refers to this paragraph \$130.00

- § 1.12 — for access to an assignment record.
- § 1.14 — for access to an application.
- § 1.53 — to accord a filing date.
- § 1.55 — for entry of late priority papers.
- § 1.60 — to accord a filing date.
- § 1.62 — to accord a filing date.
- § 1.103 — to suspend action in application.
- § 1.177 — for divisional reissues to issues separately.
- § 1.312 — for amendment after payment of issue fee.
- § 1.313 — to withdraw an application from issue.
- § 1.314 — to defer issuance of a patent.
- § 1.666(b) — for access to interference settlement agreement.

§ 3.81 — for patent to issue to assignee, assignment submitted after payment of the issue fee.

4. Section 1.32 is removed and reserved.

1.32 [Reserved]

5. Section 1.46 is revised to read as follows:

§ 1.46 Assigned inventions and patents.

In case the whole or a part interest in the invention or in the patent to be issued is assigned, the application must still be made or authorized to be made, and an oath or declaration signed, by the inventor or one of the persons mentioned in §§ 1.42, 1.43, or 1.47. However, the patent may be issued to the assignee or jointly to the inventor and the assignee as provided in § 3.81.

6. Section 1.104 is amended by revising paragraph (e) to read as follows:

§ 1.104 Nature of examination; examiner's action.

(e) Co-pending applications will be considered by the examiner to be owned by, or subject to an obligation of assignment to, the same person if:

(1) the application files refer to assignments recorded in the Patent and Trademark Office in accordance with Part 3 of this chapter which convey the entire rights in the applications to the same person or organization; or

(2) copies of unrecorded assignments which convey the entire rights in the applications to the same person or organization are filed in each of the applications; or

(3) an affidavit or declaration by the common owner is filed which states that there is common ownership and states facts which explain why the affiant or declarant believes there is common ownership; or

(4) other evidence is submitted which establishes common ownership of the applications.

In circumstances where the common owner is a corporation or other organization, an affidavit or declaration may be signed by an official of the corporation or organization empowered to act on behalf of the corporation or organization.

7. The undesignated center head above § 1.331 is revised to read as follows:

Arbitration Awards

8. Sections 1.331 through 1.334 are removed and reserved.

§ 1.331- 1.334 [Reserved]

Part 2- RULES OF PRACTICE IN TRADEMARK CASES

9. The authority citation for 37 CFR Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

10. The undesignated center head § 2.185 is removed.

11. Sections 2.185 through 2.187 are removed and reserved.

§ 2.185-2.187 [Reserved]

12. Part 3 is added to read as follows:

Part 3- ASSIGNMENT, RECORDING AND RIGHTS OF ASSIGNEE

Sec.

3.1 Definitions

DOCUMENTS ELIGIBLE FOR RECORDING

3.11 Documents which will be recorded.

3.16 Assignability of trademarks prior to filing of use statements.

REQUIREMENTS FOR RECORDING

3.21 Identification of patents and patent applications.

3.24 Formal requirements for documents and cover sheets.

3.26 English language requirement.

3.27 Mailing address for submitting documents to be recorded.

3.28 Requests for recording.

COVER SHEET REQUIREMENTS

3.31 Cover sheet content.

3.34 Correction of cover sheet errors.

FEES

3.41 Recording fees.

DATE AND EFFECT OF RECORDING

3.51 Recording date.

3.54 Effect of recording.

3.56 Conditional assignments.

DOMESTIC REPRESENTATIVE

3.61 Domestic representative.

PROSECUTION BY ASSIGNEE

3.71 Prosecution by assignee.

3.73 Establishing right of assignee to prosecute.

ISSUANCE TO ASSIGNEE

3.81 Issue of patent to assignee.

3.85 Issue of registration to assignee.

Authority: 15 U.S.C. 1123; 35 U.S.C. 6.

§ 3.1 Definitions.

For purposes of this part, the following definitions shall apply:

Application means a national application for patent, an international application that designates the United States of America, or an application to register a trademark unless otherwise indicated.

Assignment means a transfer by a party of all or part of its right, title and interest in a patent or patent application, or a transfer of its entire right, title and interest in a registered mark or a mark for which an application to register has been filed.

Document means a document which a party requests to be recorded in the Office pursuant to § 3.11 and which affects some interest in an application, patent, or registration.

Office means the Patent and Trademark Office.

Recorded document means a document which has been recorded in the Office pursuant to § 3.11.

Registration means a trademark registration issued by the Office.

DOCUMENTS ELIGIBLE FOR RECORDING

§ 3.11 Documents which will be recorded.

Assignments of applications, patents, and registrations, accompanied by completed cover sheets as specified in §§ 3.28 and 3.31, will be recorded in the Office. Other documents, accompanied by completed cover sheets as specified in §§ 3.28 and 3.31, affecting title to applications, patents, or registrations, will be recorded as provided in this Part or at the discretion of the Commissioner.

§ 3.16 Assignability of trademark prior to filing of use statement.

No application to register a mark under 15 U.S.C. 1051(b) is assignable prior to the filing of the verified statement of use under 15 U.S.C. 1051(d) except to a successor to the business of the applicant, or portion thereof, to which the mark pertains, if that business is ongoing and existing.

REQUIREMENTS FOR RECORDING

§ 3.21 Identification of patents and patent applications.

An assignment relating to a patent must identify the patent by the patent number. An assignment relating to a national patent application must identify the national patent application by the application number (consisting of the series code and the serial number, e.g., 07/123,456) or the serial number and filing date. An assignment relating to an international patent application which designates the United States of America must identify the international application by the international application number (e.g., PCT/US90/01234). If an assignment is executed concurrently with, or subsequent to, the execution of the patent application, but before the patent application is filed, it must identify the patent application by its date of execution, name of each inventor, and title of the invention so that there can be no mistake as to the patent application intended.

§ 3.24 Formal requirements for documents and cover sheets.

The document and cover sheet must be legible. Either the original document or a true copy of the original document, may be submitted for recording. Only one side of each page shall be used. The paper used should be flexible, strong, white, non-shiny, durable, and preferably no larger than 21.6 x 33.1 cm. (8 1/4 x 14 inches) with a 2.5 cm. (one-inch) margin on all sides.

§ 3.26 English language requirement.

The Office will accept and record non-English language documents only if accompanied by a verified English translation signed by the individual making the translation.

§ 3.27 Mailing address for submitting documents to be recorded.

Documents and cover sheets to be recorded should be addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231, unless they are filed together with new applications or with a petition under § 3.81(b).

§ 3.28 Requests for recording.

Each document submitted to the Office for recording must be accompanied by at least one cover sheet as specified in § 3.31 referring either to those patent applications and patents, or to those trademark applications and registrations, against which the document is to be recorded. If a document to be recorded

includes interests in, or transactions involving, both patents and trademarks, separate patent and trademark cover sheets must be submitted. Only one set of documents and cover sheets to be recorded should be filed. If a document to be recorded is not accompanied by a completed cover sheet, the document and any incomplete cover sheet will be returned pursuant to § 3.51 for proper completion of a cover sheet and resubmission of the document and a completed cover sheet.

COVER SHEET REQUIREMENTS

§ 3.31 Cover sheet content.

(a) Each patent or trademark cover sheet required by § 3.28 must contain:

- (1) the name of the party conveying the interest;
- (2) the name and address of the party receiving the interest;
- (3) a description of the interest conveyed or transaction to be recorded;
- (4) each application number, patent number or registration number against which the document is to be recorded, or an indication that the document is filed together with a patent application;
- (5) the name and address of the party to whom correspondence concerning the request to record the document should be mailed;
- (6) the number of applications, patents or registrations identified in the cover sheet and the total fee;
- (7) the date the document was executed;
- (8) an indication that the assignee of a trademark application or registration who is not domiciled in the United States has designated a domestic representative (see § 3.61); and
- (9) a statement by the party submitting the document that to the best of the person's knowledge and belief, the information contained on the cover sheet is true and correct and any copy submitted is a true copy of the original document; and
- (10) the signature of the party submitting the document.

(b) A cover sheet may not refer to both patents and trademarks.

§ 3.34 Correction of cover sheet errors.

(a) An error in a cover sheet recorded pursuant to 3.11 will be corrected only if:

- (1) the error is apparent when the cover sheet is compared with the recorded document to which it pertains and
 - (2) a corrected cover sheet is filed for recordation.
- (b) The corrected cover sheet must be accompanied by the originally recorded document or a copy of the originally recorded document and by the recording fee as set forth in § 3.41.

FEES

§ 3.41 Recording fees.

All requests to record documents must be accompanied by the appropriate fee. A fee is required for each application, patent and registration against which the document is recorded as identified in the cover sheet. The recording fee is set in § 1.21(h) of this Chapter for patents and in § 2.6(q) of this Chapter for trademarks.

DATE AND EFFECT OF RECORDING

§ 3.51 Recording date.

The date of recording of a document is the date the document meeting the requirements for recording set forth in this Part is filed in the Office. A document which does not comply with the identification requirements of § 3.21 will not be recorded. Documents not meeting the other requirements for recording, for example, a document submitted without a completed cover sheet or without the required fee, will be returned for correction to the sender where a correspondence address is available. The returned papers, stamped with the original date of receipt by the Office, will be accompanied by a letter which will indicate that if the returned papers are corrected and resubmitted to the Office within the time specified in the letter, the Office will consider the

original date of filing of the papers as the date of recording of the document. The certification procedure under either § 1.8 or § 1.10 of this Chapter may be used for resubmissions of returned papers to have the benefit of the date of deposit in the United States Postal Service. If the returned papers are not corrected and resubmitted within the specified period, the date of filing of the corrected papers will be considered to be the date of recording of the document. The specified period to resubmit the returned papers will not be extended.

§ 3.54 Effect of recording.

The recording of a document pursuant to § 3.11 is not a determination by the Office of the validity of the document or the effect that document has on the title to an application, a patent, or a registration. When necessary, the Office will determine what effect a document has, including whether a party has the authority to take an action in a matter pending before the Office.

§ 3.56 Conditional assignments.

Assignments which are made conditional on the performance of certain acts or events, such as the payment of money or other condition subsequent, if recorded in the Office, are regarded as absolute assignments for Office purposes until cancelled with the written consent of all parties or by the decree of a court of competent jurisdiction. The Office does not determine whether such conditions have been fulfilled.

DOMESTIC REPRESENTATIVE

§ 3.61 Domestic representative.

If the assignee of a trademark application or registration is not domiciled in the United States, the assignee must designate, in writing to the Office, a domestic representative. An assignee of a patent application or patent may designate a domestic representative if the assignee is not residing in the United States. The designation shall state the name and address of a person residing within the United States on whom may be served process or notice of proceedings affecting the application, patent or registration or rights thereunder.

PROSECUTION BY ASSIGNEE

§ 3.71 Prosecution by assignee.

The assignee of record of the entire right, title and interest in an application for patent is entitled to conduct the prosecution of the patent application to the exclusion of the named inventor or previous assignee. The assignee of a registered trademark or a trademark for which an application to register has been filed is entitled to conduct the prosecution of the trademark application or registration to the exclusion of the original applicant or previous assignee.

§ 3.73 Establishing right of assignee to prosecute.

(a) The inventor is presumed to be the owner of a patent application, and any patent that may issue therefrom, unless there is an assignment. The original applicant is presumed to be the owner of a trademark application unless there is an assignment.

(b) When the assignee of the entire right, title and interest seeks to take action in a matter before the Office with respect to a patent application, trademark application, patent, registration, or reexamination proceeding, the assignee must establish its ownership of the property to the satisfaction of the Commissioner. Ownership is established by submitting to the Office documentary evidence of a chain of title from the original owner to the assignee or by specifying (e.g. reel and frame number, etc.) where such evidence is recorded in the Office. Documents submitted to establish ownership may be required to be recorded as a condition to permitting the assignee to take action in a matter pending before the Office. In addition, the assignee of a patent application or patent must submit a statement specifying that the evidentiary documents have been reviewed and certifying that, to the best of assignee's knowledge and belief, title is in the assignee seeking to take the action.

ISSUANCE TO ASSIGNEE

§ 3.81 Issue of patent to assignee.

(a) For a patent application, if an assignment of the entire right, title, and interest is recorded before the issue fee is paid, the patent may issue in the name of the assignee. If the assignee holds an undivided part interest, the patent may issue jointly to the inventor and the assignee. At the time the issue fee is paid, the name of the assignee must be provided if the patent is to issue solely or jointly to that assignee.

(b) If the assignment is submitted for recording after the date of payment of the issue fee, but prior to issuance of the patent, the assignee may petition that the patent issue to the assignee. Any such petition must be accompanied by the fee set forth in § 1.17(i)(1) of this Chapter

§ 3.85 Issue of registration to assignee.

The certificate of registration may be issued to the assignee of the applicant, or in a new name of the applicant, provided that the party files a written request in the trademark application by the time the application is being prepared for issuance of the certificate of registration, and the appropriate document is recorded in the Office. If the assignment or name change document has not been recorded in the Office, then the written request must state that the document has been filed for recordation. The address of the assignee must be made of record in the application file.

June 24, 1992

DOUGLAS B. COMER
*Acting Assistant Secretary and
Acting Commissioner of Patents
and Trademarks*

[1140 TMOG 65]

NOTE: The following appendix did *not* appear in the Code of Federal Regulations

APPENDIX A

FORM PTO-1594 1-31-92		RECORDATION FORM COVER SHEET TRADEMARKS ONLY		U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office	
Tab settings 0 0 0 ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼					
To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): ☐ Individual(s) ☐ General Partnership ☐ Corporation-State ☐ Other _____ ☐ Association ☐ Limited Partnership Additional name(s) of conveying party(ies) attached? ☐ Yes ☐ No			2. Name and address of receiving party(ies): Name: _____ Internal Address: _____ Street Address: _____ City _____ State _____ ZIP _____ ☐ Individual(s) citizenship _____ ☐ Association _____ ☐ General Partnership _____ ☐ Limited Partnership _____ ☐ Corporation-State _____ ☐ Other _____ If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☐ No (Designation must be a separate document from Assignment) Additional name(s) & address(es) attached? ☐ Yes ☐ No		
3. Nature of conveyance: ☐ Assignment ☐ Security Agreement ☐ Other _____ ☐ Merger ☐ Change of Name Execution Date: _____					
4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark registration No.(s) Additional numbers attached? ☐ Yes ☐ No					
5. Name and address of party to whom correspondence concerning document should be mailed: Name: _____ Internal Address: _____ _____ _____ Street Address: _____ _____ City: _____ State: _____ ZIP _____			6. Total number of applications and registrations involved: ☐ 7. Total fee (37 CFR 3.41):.....\$ _____ ☐ Enclosed ☐ Authorized to be charged to deposit account 8. Deposit account number: _____ (Attach duplicate copy of this page if paying by deposit account)		
DO NOT USE THIS SPACE					
9. Statement and signature. <i>To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.</i> _____ Name of Person Signing _____ Signature _____ Date Total number of pages comprising cover sheet:					
OMB No. 0651-0011 (exp. 4/94)					
Do not detach this portion					
Mail documents to be recorded with required cover sheet information to: Commissioner of Patents and Trademarks Box Assignments Washington, D.C. 20231 Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project, (0651-0011), Washington, D.C. 20503					

Guidelines for Completing Trademarks Cover Sheets

Cover Sheet information must be submitted with each document to be recorded. If the document to be recorded concerns both patents and trademarks, separate patent and trademark cover sheets, including any attached pages for continuing information, must accompany the document. All pages of the cover sheet should be numbered consecutively, for example, if both a patent and trademark cover sheet is used, and information is continued on one additional page for both patents and trademarks, the pages of the cover sheet would be numbered from 1 to 4.

Item 1. Name of Conveying Party(ies).

Enter the full name of the party(ies) conveying the interest. If there is insufficient space, enter a check mark in the "Yes" box to indicate that additional information is attached. The name of the second or subsequent conveying party(ies) should be placed on an attached page clearly identified as a continuation of the information in Item 1. Enter a check mark in the "No" box, if no information is contained on an attached page.

Item 2. Name and Address of Receiving Party(ies).

Enter the name and full address of the first party receiving the interest. If there is more than one party receiving the interest, enter a check mark in the "Yes" box to indicate that additional information is attached. An entity type must be indicated for each receiving party, and the citizenship of individuals must be indicated. If the receiving party is an assignee not domiciled in the United States, a designation of domestic representative is required. A designation of domestic representative must be contained in a document separate from the assignment document. Place a check mark in appropriate box to indicate whether or not a designation of domestic representative is attached. Enter a check mark in the "No" box, if no information is contained on an attached page.

Item 3. Nature of Conveyance.

Place a check mark in the appropriate box describing the nature of the conveying document. If the "Other" box is checked, specify the nature of the conveyance. Enter the execution date of the document. It is preferable to use the name of the month, or an abbreviation of that name, in order that confusion over dates is minimized.

Item 4. Application Number(s) or Registration Number(s).

Indicate the application number(s) including series code and serial number against which the document is to be recorded. Enter a check mark in the appropriate box: "Yes" or "No" if additional numbers appear on attached pages. Be sure to identify numbers included on attached pages as the continuation of Item 4.

Item 5. Name and Address of Party to whom correspondence concerning the document should be mailed.

Enter the name and full address of the party to whom correspondence should be mailed.

Item 6. Total Applications and Patents Involved.

Enter the total number of applications and trademarks identified for recordation. Be sure to include all applications and registrations identified on the cover sheet and on additional pages.

Block 7. Total Fee Enclosed

Enter the total fee enclosed or authorized to be charged. A fee is required for each application and patent against which the document is recorded.

Item 8. Deposit Account Number

Enter the deposit account number to authorize charges. Attach a duplicate copy of cover sheet to be used for the deposit charge account transaction.

Item 9. Statement and Signature

Enter the name of the person submitting the document. The submitter must sign and date the cover sheet, confirming that to the best of that person's knowledge and belief, the information contained on the cover sheet is correct and that any copy of the document is a true copy of the original document. Enter the total number of pages contained in the cover sheet, including any attached pages containing information continued from the Items of the cover sheet.

NOTE: The following appendix did not appear in the Code of Federal Regulations

APPENDIX B

FORM PTO-1595 1-31-92		RECORDATION FORM COVER SHEET PATENTS ONLY		U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office	
Tab settings 0 0 0 ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼ ▼					
To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.					
1. Name of conveying party(ies): Additional name(s) of conveying party(ies) attached? ☐ yes ☐ no			2. Name and address of receiving party(ies): Name: _____ Internal Address: _____ _____ Street Address: _____ _____ City _____ State _____ ZIP _____ Additional name(s) & address(es) attached? ☐ Yes ☐ No		
3. Nature of Conveyance: ☐ Assignment ☐ Merger ☐ Security Agreement ☐ Change of Name ☐ Other _____ Execution Date: _____					
4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: _____ A. Patent Application No.(s) _____ B. Patent No.(s) _____ Additional numbers attached? ☐ Yes ☐ No					
5. Name and address of party to whom correspondence concerning document should be mailed: Name: _____ Internal Address: _____ _____ Street Address: _____ _____ City: _____ State: _____ ZIP _____			6. Total number of applications and patents involved: 7. Total fee (37 CFR 3.41):.....\$ _____ ☐ Enclosed ☐ Authorized to be changed to deposit account 8. Deposit account number: _____ (Attach duplicate copy of this page if paying by deposit account)		
DO NOT USE THIS SPACE					
9. Statement and signature. <i>To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.</i> _____ Name of Person Signing Signature Date Total number of pages comprising cover sheet:					
OMB No. 0651-0011 (exp. 4/94)					
Do not detach this portion					
Mail documents to be recorded with required cover sheet information to: Commissioner of Patents and Trademarks Box Assignments Washington, D.C. 20231					
Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project, (0651-0011), Washington, D.C. 20503					

Guidelines for Completing Patents Cover Sheets

Cover Sheet information must be submitted with each document to be recorded. If the document to be recorded concerns both patents and trademarks, separate patent and trademark cover sheets, including any attached pages for continuing information, must accompany the document. All pages of the cover sheet should be numbered consecutively, for example, if both a patent and trademark cover sheet is used, and information is continued on one additional page for both patents and trademarks, the pages of the cover sheet would be numbered from 1 to 4.

Item 1. Name of Conveying Party(ies).

Enter the full name of the party(ies) conveying the interest. If there is insufficient space, enter a check mark in the "Yes" box to indicate that additional information is attached. The name of the additional conveying party(ies) should be placed on an attached page clearly identified as a continuation of the information in Item 1. Enter a check mark in the "No" box, if no information is contained on an attached

Item 2. Name and Address of Receiving Party(ies).

Enter the name and full address of the first party receiving the interest. If there is more than one party receiving the interest, enter a check mark in the "Yes" box to indicate that additional information is attached. Enter a check mark in the "No" box, if no information is contained on an attached page.

Item 3. Nature of Conveyance.

Place a check mark in the appropriate box describing the nature of the conveying document. If the "Other" box is checked, specify the nature of the conveyance. Enter the execution date of the document. It is preferable to use the name of the month, or an abbreviation of that name, in order that confusion over dates is minimized.

Item 4. Application Number(s) or Patent Number(s).

Indicate the application number(s), and/or patent number(s) against which the document is to be recorded. National application numbers must include both the series code and the serial number; and international application numbers must be complete, e.g. 07/123,456 for national application numbers, and PCT/US91/12345 for international application numbers. Enter a check mark in the appropriate box: "Yes" or "No" if additional numbers appear on attached pages. Be sure to identify numbers included on attached pages as the continuation of Item 4.

Item 5. Name and Address of Party to whom correspondence concerning the document should be mailed.

Enter the name and full address of the party to whom correspondence should be mailed.

Item 6. Total Applications and Patents Involved.

Enter the total number of applications and patents identified for recordation. Be sure to include all applications and patents identified on the cover sheet and on additional pages.

Block 7. Total Fee Enclosed

Enter the total fee enclosed or authorized to be charged. A fee is required for each application and patent against which the document is recorded.

Item 8. Deposit Account Number

Enter the deposit account number to authorize charges. Attach a duplicate copy of cover sheet to be used for the deposit charge account transaction.

Item 9. Statement and Signature

Enter the name of the person submitting the document. The submitter must sign and date the cover sheet, confirming that to the best of that person's knowledge and belief, the information contained on the cover sheet is correct and that any copy of the document is a true copy of the original document. Enter the total number of pages contained in the cover sheet, including any attached pages containing information continued from the Items of the cover sheet.

(274) **Flexible Working Hours**

On Jan. 4, 1979 the Patent and Trademark Office is beginning a 15 month experiment with flexible working hours for its employees. Under the "flexitime" experiment many of the Office's employees will have flexibility to begin their workdays as early as 6:30 a.m. or as late as 9:30 a.m., and end their workdays between 3:00 p.m. and 6:30 p.m. Employees in every case shall of course work eight hours each day. All or most patent and trademark examiners will have flexible hours.

The public hours of the Patent and Trademark Office will continue to be 8:30 a.m. to 5:00 p.m. All units of the Office which deal directly with the public will be staffed to answer telephone calls and receive visitors during those hours. All employees will be on duty from 9:30 a.m. to 3:00 p.m. The patent public search room will continue to operate from 8:00 a.m. until 8:00 p.m. and the trademark search room from 8:00 a.m. until 5:30 p.m.

With the advent of flexible hours, it will be advisable for members of the public to make appointments in advance when they wish to interview examiners.

DONALD W. BANNER,
*Commissioner of Patents
and Trademarks.*

Dec. 13, 1978.

[978 TMOG 141]

(275) **DEPARTMENT OF COMMERCE**
Billing Code: 3510-16M**Patent and Trademark Office**
37 CFR Parts 1 and 2**[Docket No. 920401-2194]**
RIN 0651-AA54**Revision of Patent and Trademark Fees**

Agency: Patent and Trademark Office, Commerce
Action: Final Rule.

Summary: The Patent and Trademark Office (PTO) is amending the rules of practice in patent and trademark cases, Parts 1 and 2 of title 37, Code of Federal Regulations, to adjust certain patent and trademark fee amounts to reflect fluctuations in the Consumer Price Index (CPI) and to recover costs of operation. The PTO is also establishing fees for providing public access to APS-Text in Patent and Trademark Depository Libraries (PTDLs), and for dividing a trademark application. In response to comments received from the Libraries in which they expressed their concerns about the administrative burdens of collecting fees from the public for use of APS-Test, the Commissioner is immediately suspending collection of that fee to provide additional time for the PTO to solicit input from the private sector on alternative collection methods, and other options for accessing patent search and retrieval in the Libraries.

Dates: Effective Date: October 1, 1992. Rule 1.21(p) will take effect on October 1, 1992 but will immediately be suspended by the Commissioner.

Comment Date: The PTO will accept comments on alternative collection methods, and other options for accessing patent search and retrieval in the PTDLs (37 CFR 1.21(p)) until January 4, 1993. The Office will provide written notice in the Federal Register

and the Official Gazette of the United States Patent and Trademark Office thirty days before starting to collect fees for accessing APS-Text in the PTDLs.

Addresses: Address written comments to the Commissioner of Patents and Trademarks, Washington, D.C. 20231, Attention: Frances Michalkewicz, Suite 507, Crystal Park 1, or by FAX to (703) 305-8436.

For Further Information Contact: Frances Michalkewicz by telephone at (703) 305-8510 or by mail marked to her attention and addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: This rule change is designed to adjust the Patent and Trademark Office fees in accordance with the applicable provisions of title 35, United States Code, section

31 of the Trademark (Lanham) Act of 1946 (15 U.S.C. 1113), and section 10101 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508), all as amended by the Patent and Trademark Office Authorization Act of 1991 (Public Law 102-204).

Background:

Statutory Provisions: Patent fees are authorized by 35 U.S.C. 41 and 35 U.S.C. 376. A 50 percent reduction in the fees paid under 35 U.S.C. 41(a) and 41(b) by independent inventors, small business concerns, and nonprofit organizations who meet prescribed definitions is authorized by 35 U.S.C. 41(h).

Subsection 41(f) of title 35, United States Code, provides that fees established under 35 U.S.C. 41(a) and (b) may be adjusted on October 1, 1992, and every year thereafter, to reflect fluctuations in the Consumer Price Index (CPI) over the previous 12 months.

Section 10101 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508) provides that there shall be a surcharge on all fees established under 35 U.S.C. 41(a) and 41(b) to collect \$99 million in fiscal year 1993.

Subsection 41(d) of title 35, United States Code, authorizes the Commissioner to establish fees for all other processing, services, or materials related to patents to recover the average cost of providing these services or materials, except for the fees for recording a document affecting title, for each photocopy, and for each black and white copy of a patent.

Section 376 of title 35, United States Code, authorizes the Commissioner to set fees for patent applications filed under the Patent Cooperation Treaty.

Subsection 41(g) of title 35, United States Code, provides that new fee amounts established by the Commissioner under section 41 may take effect thirty days after notice in the Federal Register and the Official Gazette of the Patent and Trademark Office.

Subsection 41(i)(3) of title 35, United States Code, authorizes the Commissioner to establish reasonable fees for access to automated search systems of the PTO.

Section 31 of the Trademark (Lanham) Act of 1946, as amended (15 U.S.C. 1113), authorizes the Commissioner to establish fees for the filing and processing of an application for the registration of a trademark or other mark, and for all other services and materials furnished by the PTO relating to trademarks and other marks.

Section 31(a) of the Trademark (Lanham) Act of 1946 (15 U.S.C. 1113(a)), as amended, allows trademark fees to be adjusted once each year to reflect, in the aggregate, any fluctuations during the preceding 12 months in the CPI.

Section 31 also allows new fee amounts to take effect thirty days after notice in the Federal Registration and the Official Gazette of the Patent and Trademark Office.

Recovery Level Determination: Fees have been adjusted for a planned recovery of \$486,000,000 in fiscal year 1993, as proposed in the Administration's budget request to the Congress.

Fees established by 35 U.S.C. 41(a) and 41(b) (patent statutory fees) may be adjusted on October 1, 1992, to reflect any fluctuations occurring during the previous 12 months in the CPI. The Office of Management and Budget (OMB) has determined that the PTO should use Consumer Price Index-U to adjust patent statutory fees. The Department of Labor's Consumer Price Index is made public approximately 21 days after the end of the month being calculated. The patent statutory fees are being adjusted by 3.3 percent, which reflects the Administration's projected Consumer Price Index-U for the 12-month period beginning October 1, 1991.

The patent statutory fees established by rule (56 FR 65142) on December 13, 1991, are being adjusted by the projected changes in the CPI of 3.3 percent. Amounts were rounded by applying standard arithmetic rules so that the amounts rounded would be convenient to the user. Fees of \$100 or more were rounded to the nearest \$10. Fees between \$2 and \$99 were rounded to an even number so that the comparable small entity fee would be a whole number.

Patent statutory fees also are subject to the provisions of the Omnibus Budget Reconciliation Act of 1990, as amended by Public Law 102-204. These provisions require that \$99 million be collected in fiscal year 1993 for deficit reduction purposes in lieu of seeking general taxpayer funds from the U.S. Treasury.

The \$99 million is deposited in a special account in the U.S. Treasury, and is reserved exclusively for use by the PTO, and is made available to the PTO through the appropriation process.

In establishing the 1993 patent statutory fees, the PTO applied the projected Consumer Price Index-U rate of 3.3 percent to the 1992 fees. The 1993 fees were rounded as explained above. Of the total amount of section 41(a) and (b) income expected to be collected in 1993, \$99 million must be deposited to the Fee Surcharge Fund.

Non-statutory patent service fees established under section 41(d) of title 35, United States Code, as amended, and PCT processing fees are being adjusted to recover planned costs in 1993, except in the case of three patent service fees set by statute. The three fees are assignment recording fees, printed patent copy fees and photocopy charge fees.

Trademark fees are being adjusted in fiscal year 1993, in the aggregate, to reflect changes over the prior 12 months in the CPI. The OMB has determined that the PTO should use Consumer Price Index-U to adjust trademark fees, which is made public by the Department of Labor approximately 21 days after the end of the month being calculated. The trademark fees are being adjusted, in the aggregate, by 3.3 percent, which reflects the Administration's projected Consumer Price Index-U for the 12 month period beginning October 1, 1991.

The PTO is adjusting only two trademark fees in 1993: for filing an application (37 CFR § 2.6(a)(1)) and for assignment records, abstract of title and certification (37 CFR § 2.6(b)(7)). One new fee is being set for dividing an application (37 CFR § 2.6(a)(19)). No other trademark fees are changing in 1993. The net effect of these changes is to increase trademark fees, in the aggregate, by 3.3 percent, the expected Consumer Price Index-U rate for the prior 12 month period.

Workload Projections: Determination of workloads varies by fee. Principal workload projection techniques are as follows:

Patent and trademark application workloads are projected from statistical regression models using recent application filing trends. Patent issues are projected from an inhouse patent production model and reflect examiner production achievements and goals. Patent maintenance fee workloads utilize patents issued 3.5, 7.5 and 11.5 years prior to payment and assume payment rates of 75 percent, 50 percent and 25 percent, respectively. Trademark affidavit projections are based on filing trends for marks registered five to six years prior to 1993. Trademark renewal projections are based on marks registered 20 years prior to 1993. Service fee workloads follow linear trends from prior year activities.

Public Access to Automated Systems: In April 1989, the PTO began providing access to APS-Text in the Patent Search Room at its facilities in Arlington, Virginia. On February 12, 1990, the PTO began charging a fee for access to APS-Text in the Patent Search Room. In September 1991, the PTO began providing, without charge, APS-Text to 14 Patent and Trademark Depository Libraries (PTDLs) as a pilot test program. APS-Text provides users of the patent search files with a value added search tool that enables them to conduct more comprehensive searches.

Although many PTDLs believe that government information should be available to the public free of charge, the PTO's fiscal year 1993 budget does not include any general taxpayer funds, but requires that all of the expenses of the PTO be recovered through user fees. These expenses include the cost of providing APS-Text to the public, both in the Patent Search Room in Virginia and at the PTDLs. Continuation of this service in the PTDLs, without direct charge to the users of the automated system, would require support from all other customers who pay for products and services from the PTO.

A second issue raised by many PTDLs concerns the method that PTO would use to collect fees from the users of APS-Text in the PTDLs. Users of APS-Text in the Patent Search Room pay for use of the system directly to the PTO. PTDLs have commented that collecting fees would be an administrative burden for many, while some are legally precluded from collecting fees.

The PTO has a strong interest in expanding access to APS-Text to all PTDLs that wish to participate, but considers allocating user fees paid for other products and services to subsidize this effort to be inappropriate. Therefore, PTO concludes that establishment of a fees for access to APS-Text is necessary.

At the same time, PTO wants to limit the administrative burden imposed on the PTDLs to collect user fees. Therefore, PTO intends to enter into an agreement establishing a service bureau arrangement for administering the collection of fees at participating PTDLs. This arrangement provides one alternative for providing administrative services, but PTO is seeking others. Therefore, through this rulemaking notice, the PTO is soliciting alternatives from other organizations, including the libraries themselves, for providing the administrative services associated with APS-Text. Likewise, the Office would like to consider other options for accessing patent search and retrieval in the PTDLs. The PTO will accept comments on alternative collection methods, and other options for accessing patent search and retrieval in the PTDLs until January 4, 1993.

In rule 1.21(p), the PTO is establishing a \$70 per connect hour fee to recover the cost of providing APS-Text services in participating PTDLs, but the Commissioner is immediately suspending collection of that fee until alternative methods of collecting the fee from users of APS-Text in the PTDLs are identified. Although access to the 14 pilot PTDLs will continue for further evaluation purposes, the PTO will not extend access to additional PTDLs until a fee collection arrangement is established. Section 41(i)(3) of 35 U.S.C. states that if PTO establishes fees for access to the automated search system "a limited amount of free access shall be made available to users of the systems for purposes of education and training."

The \$70 per connect hour fee amount established by this rule is based on a calculation of the costs of PTO services, and preliminary cost estimates that were provided by a potential service bureau contractor. The cost elements for PTO include training; training software for personal computers (to be developed); manuals and documentation; additional mainframe CPU; and additional staff time for client support. The cost elements for services provided by the service bureau include billing, account administration, and user support; telecommunication costs to the network; and the Messenger Software enhancement fee.

After PTO has evaluated other options for a service bureau arrangement, a notice will be published in the Federal Registration and the Official Gazette of the Patent and Trademark Office. At that time, PTO will provide administrative procedures for public use of APS-Text in the PTDLs. Depending on responses to the solicitation for alternatives for providing the administrative services associated with APS-Text, the fee amount could be reduced at that time.

General Procedures: Any fee amount that is paid on or after October 1, 1992, would be subject to the new fees then in effect. For purposes of determining the amount of the fee to be paid, the date of mailing indicated on a proper Certificate of Mailing, where authorized under 37 CFR 1.8, will be considered to be the date of receipt in the PTO. A "Certificate of Mailing under Section 1.8" is not "proper" for items which are specifically excluded from the provisions of § 1.8. Section 1.8 should be consulted for those items for which a Certificate of Mailing is not "proper." Such items include, inter alia, the filing of national and international applications for patents and the filing of trademark applications. However, the provisions of 37 CFR 1.10 relating to filing papers and fees with an "Express Mail" certificate do apply to any paper or fee (including patent and trademark applications) to be filed in the PTO. If an application or fee is filed by "Express Mail" with a proper certificate dated on or after the effective date of the rules, as amended, the amount of the fee to be paid would be the fee established by the amended rules.

A comparison of existing and revised fee amounts is included as an Appendix to this final rule.

In order to ensure clarity in the implementation of the revised fees, a discussion of specific sections is set forth below.

DISCUSSION OF SPECIFIC RULES

37 CFR 1.16 National application filing fees.

Section 1.16, paragraphs (a)-(d) and (f)-(j), is revised to adjust patent application filing fees to reflect fluctuations in the CPI.

37 CFR 1.17 Patent application processing fees.

Section 1.17, paragraphs (b)-(g), and (m), is revised to adjust fees established therein to reflect fluctuations in the CPI.

Section 1.17, paragraphs (j), (n) and (o), is revised to adjust fees established therein to recover costs.

37 CFR 1.18 Patent issue fees.

Section 1.18, paragraphs (a)-(c), is revised to adjust the issue fee for each original or reissue patent to reflect fluctuations in the CPI.

37 CFR 1.19 Document supply fees.

Section 1.19, subparagraph (b)(4) and paragraphs (f) and (h), is revised to adjust fees established therein to recover costs.

Section 1.20, paragraphs (a), (c) and (i), is revised to adjust fees established therein to recover costs.

Section 1.20, paragraphs (e)-(g), is revised to adjust fees established therein to reflect fluctuations in the CPI.

37 CFR 1.21 Miscellaneous fees and charges.

Section 1.21, subparagraphs (a)(1), (a)(5), (a)(6), (b)(2), (b)(3), and paragraphs (e) and (i), is revised to adjust fees established therein to recover costs.

Section 1.21, paragraph (p), is added to establish the fee for providing public access to the Automated Patent System full-text search (APS-Text) capability in Patent and Trademark Depository Libraries. The \$70.00 per connect hour fee would recover the marginal cost of providing the service to the public, including the cost for a service bureau to handle billing, account administration, and user support.

37 CFR 1.26 Refunds.

Section 1.26, paragraph (a), is revised to increase the minimum amount of a refund, without a request, from one dollar to twenty-five dollars in accordance with the Treasury Fiscal Manual, Volume One, Part Six, Chapter 3000.

Section 1.26, paragraph (c), is revised to provide for a refund of \$1,690 if the Commissioner decides not to institute reexamination proceedings. The \$1,690 refund would apply to those instances where the reexamination fee of \$2,250 under 37 CFR 1.20(c) was paid. The current \$1,635 refund would be made in those cases where the current \$2,180 reexamination fee was paid.

37 CFR 1.445 International application filing, processing, and search fees.

Section 1.445, is revised to adjust the fees authorized by 35 U.S.C. 376 to recover costs.

37 CFR 1.482 International preliminary examination fees.

Section 1.482, subparagraphs (a)(1), and (a)(2)(ii), is revised to adjust the fees authorized by 35 U.S.C. 376 to recover costs.

37 CFR 1.492 National stage fees.

Section 1.492, subparagraphs (a)(1)-(a)(3), and paragraphs (b)-(d), is revised to adjust fees established therein to reflect fluctuations in the CPI.

Section 1.492, subparagraph (a)(5), is revised to adjust the fee authorized by 35 U.S.C. 376 to recover costs.

37 CFR 2.6 Trademark fees.

Section 2.6, subparagraphs (a)(1) and (b)(7), is revised to adjust the fees authorized by the Trademark (Lanham) Act of 1946 to reflect fluctuations in the CPI.

New section 2.6(a)(19), is added to establish a fee for dividing a trademark application in accordance with 37 CFR 2.87. Section 2.6(a)(19) is revised from the proposal by adding the words "file wrapper" to clarify that the fee amount is due for each new file wrapper created.

37 CFR 2.87 Dividing an Application.

Section 2.87, is revised to establish a fee for dividing an application into two or more applications. Currently, no fee is charged for the physical act of dividing an application. Experience to date reveals that the creation of so-called "divisional" applications is labor intensive. For that reason, and because the creation of a divisional application is a significant benefit to an applicant, the PTO will charge a fee for dividing an application. The fee will be due for each new file wrapper created.

Section 2.87, is revised to divide paragraph (a) into paragraphs (a) and (b), and renumber paragraphs (b) and (c) as (c) and (d).

Response to Comments on the Rules: A notice of proposed rulemaking to adjust patent and trademark fees in accordance with the proposed provisions of Public Law 102-204 was published in the Federal Register on May 20, 1992, at 57 FR 21536, and in the Official Gazette on May 26, 1992, at 1138 OG 58. Corrections were published in the Federal Register on June 2, 1992, at 57 FR 23257.

A public hearing was held on June 24, 1992. A total of 28 comments were received: 27 respondents submitted written comments and three people presented oral testimony (two of whom also submitted written comments) at the public hearing. Over half of the comments received represented the views of libraries. All of the written and oral comments were considered in adopting the rules set forth herein.

Comment: Two people claimed that the proposed fees for filing an application under the Patent Cooperation Treaty (PCT) is discriminatory against applicants who file under the PCT route.

Response: The PTO is undertaking a thorough analysis of all PCT fees. The results of this analysis, and the recommendations concerning PTO's fee structure to be made to the Secretary of Commerce by the Advisory Commission on Patent Law Reform, will be taken into consideration when PTO proposes the fiscal year 1994 fee adjustments.

Comment: One respondent, although not objecting to the proposed 3.3 percent fee increase, suggested that the PTO may be understanding its projected income from maintenance fees which could be used to offset inflationary increases and possibly reduce PCT fees.

Response: When maintenance fees first were imposed, the Office looked at historical payment trends experienced by other offices, such as the European Patent Office. The PTO conservatively projected the number of maintenance fees to be paid for two reasons. First, there is not a long history of maintenance fee payments on which to base income projections; for example, second stage maintenance fees only recently have started to come due, and third stage maintenance fees will not become due for many patent owners until 1995. Second, the percentage of patent owners paying second stage maintenance fees in recent months has declined from the renewal rate that was experienced during the first year that second stage maintenance fees were paid. Therefore, PTO is properly conservative in its maintenance fee payment projections. We will conduct a comprehensive analysis of projected maintenance fee payments prior to proposing the fiscal year 1994 fee adjustment.

Comment: Eighteen respondents opposed establishment of fees for the public to access APS-Text at the Patent and Trademark Depository Libraries, primarily because the public has a right to free access to patent information. One person asked about administrative procedures for providing APS-Text in the PTDLs, and suggested that CD-ROM products continue to be made available free of charge and access fees for APS-Text be kept as low as possible.

Response: As a fully fee-funded agency, the costs to the PTO of providing access to APS-Text in the 74 Patent and Trademark Depository Libraries (PTDLs) would have to be borne either by the individual users of the system, or by all users of the patent system (e.g., patent applicants). In June 1988, the PTO published in 53 Federal Register 23677 the results of comments solicited on alternatives for funding access to the PTO's automated systems. In response, the PTO received 21 comments, 12 of which advocated the use of taxpayer revenues, and seven supported at least some reliance on user fees. The latter based their decisions on the reality of budget deficit problems; the inequity of providing taxpayer funds to subsidize on-line searchers who charge fees for their services; and the need to have an equitable fee structure that applies throughout the United States.

The PTO has a strong interest in expanding access to APS-Text to all PTDLs that wish to participate, with the least amount of administrative burden to the PTDLs, but considers allocating user fees paid for other products and services to subsidize this effort to be inappropriate. Therefore, the PTO is establishing a fee of \$70 per connect hour for accessing APS-Text in the PTDLs, which includes the cost of having a service bureau provide billing, account administrative, and user support. However, the Commissioner is immediately suspending collection of that fee to provide additional time to solicit comments through this rulemaking for providing the administrative services associated with APS-Text. Likewise, the Office would like to consider other options for accessing patent search and retrieval in the PTDLs. The Office will publish a notice in the Federal Register and the Official Gazette of the Patent Trademark Office thirty days before it begins collecting a fee for public access to APS-Text in the PTDLs.

Comment: One respondent claimed that proposed 37 CFR 1.21(p) is not in accord with the rulemaking provision of 5 U.S.C. 553(b) which requires that the issues involved be described in the notice of proposed rulemaking.

Response: The Notice of Proposed Rulemaking 57 FR 21536, referenced 35 U.S.C. § 41(i)(3) which authorizes the Commissioner to establish reasonable fees for access to automated search systems of the PTO. Further in the notice at 57 FR 21537, under the discussion of the proposed revision to 37 CFR § 1.21, it was stated that the proposed \$40.00 fee would recover the PTO's estimated marginal cost of providing the service to the PTDLs. The notice also indicated the PTO was investigating the use of a contract service bureau to provide access in which case the fee would be approximately \$70.00. This fully described the issue involved in the proposed rule change.

Comment: Two respondents commented on the administrative burden caused by a change to the fee structure at this time, particularly in light of prior fee changes and the small amount of the adjustment.

Response: The PTO proposed to adjust its fees because operating costs have increased over the past year. The Commissioner is authorized to adjust patent and trademark fees on October 1, 1992 and every year thereafter to reflect fluctuations in the Consumer Price Index over the prior twelve months. Future charges are expected to occur annually on October 1st. The fee increases that will be implemented on October 1, 1992, are expected to generate \$15.1 million. Without this revenue, PTO would be forced to make cuts in patent and trademark operations that would affect the quality of examination.

Comment: One person expressed concern about the quality and timeliness of services for which new or increased fees are proposed, complaining specifically of the delay in receiving an official filing receipt when a trademark application is divided and in the recording of assignments.

Response: A major objective of the Office is to assure continuous quality improvements throughout all operations. The Office has taken steps to address the areas of concern identified.

Comment: One organization and one person objected to the PTO's sole reliance on fee income, particularly for funding automation development costs.

Response: The Omnibus Budget Reconciliation Act of 1990 requires that a user fee surcharge on certain patent fees replace taxpayer funds for the five year period 1991-1995. Whether PTO should receive funds from other sources in future fiscal years is beyond the scope of the rule package.

The automation programs, which are funded from user fees, are designed to improve the quality and timeliness of PTO services and products, and to discontinue reliance on manual processes and paper references.

Comment: One person said that small entities do not benefit from the 50 percent reduction to certain patent fees, because many small companies, particularly those in high technology areas, must license their patent rights and thus pay large entity status fees.

Response: The purpose of the small entity subsidy is to ensure that individual inventors, small businesses and non-profit organizations are not barred from using the patent system because of the PTO's fee structure. Once a small entity assigns the rights to a patent application or a patent to a large entity, presumably receiving compensation from the large entity, the reduced fee amounts no longer apply.

Comment: One organization said that trademark fees appear to be justified but PTO must ensure that trademark functions are being discharged in the most efficient and economical manner. For example, the organization questioned whether it is efficient for the Office to continue to maintain a paper search file and to continue to pay the General Services Administration (GSA) for building services.

Response: The Office is committed to ensuring that its trademark functions are being discharged effectively and, as part of its quality improvement program, is currently reviewing various work-related processes. No decision has yet been made as to when the paper search file will be eliminated and no such decision will be made until the public has been given an opportunity to comment. The Office has asked GSA to review the level of charges assessed in light of current market conditions.

Other Considerations: The rule change is in conformity with the requirements of the Regulatory Flexibility Act (Pub. L. 96-354); Executive Orders 12291 and 12612; and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501, et seq. There are no information collection requirements relating to patent and trademark fee rules.

The PTO has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change would not have a significant adverse impact on a substantial number of small entities (Regulatory Flexibility Act, Pub. L. 96-354). The rule change increases fees by changes in the CPI as authorized by 35 U.S.C. 41(f). Further, the principal impact of the major patent fees has already been taken into account in 35 U.S.C. 41(h), which provides small entities with a 50-percent reduction in the major patent fees.

The PTO has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy would be less than \$100 million. There would be no major increase in costs or prices for consumers; individual industries; Federal, state, or local government agencies; or geographic regions. There would be no significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects

37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and record keeping requirements, Small businesses.

37 CFR Part 2

Administrative practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble, the PTO is amending title 37 of the Code of Federal Regulations, Chapter I, as set forth below.

Part 1-Rules of Practice in Patent Cases

1. The authority citation for 37 CFR Part 1 would continue to read as follows:

Authority: 35 U.S.C. 6, unless otherwise noted.

2. Section 1.16 is amended by revising paragraphs (a)-(d), the parenthetical following paragraph (d), paragraphs (f)-(j), and the note at the end of the section to read as follows:

§ 1.16 National application filing fees.

(a) Basic fee for filing each application for an original patent, except design or plant cases:

By a small entity (§ 1.19(f)) \$355.00
By other than a small entity \$710.00

(b) In addition to the basic filing fee in an original application, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(c) In addition to the basic filing fee in an original application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20.

(Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(d) In addition to the basic filing fee in an original application, if the application contains, or is amended to contain, a multiple dependent claim(s) per application:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(If the additional fees required by paragraphs (b), (c), and (d) of this section are not paid on filing or on later presentation of the claims for which the additional fees are due, they must be paid or the claims canceled by amendment prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

(f) For filing each design application:

By a small entity (§ 1.9(f)) \$145.00
By other than a small entity \$290.00

(g) Basic fee for filing each plant application:

By a small entity (§ 1.9(f)) \$240.00
By other than a small entity \$480.00

(h) Basic fee for filing each reissue application:

By a small entity (§ 1.9(f)) \$355.00
By other than a small entity \$710.00

(i) In addition to the basic filing fee in a reissue application, for filing or later presentation of each independent claim which is in excess of the number of independent claims in the original patent:

By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(j) In addition to the basic filing fee in a reissue application, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 and also in excess of the number of claims in the original patent.

(Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(Note: See §§ 1.445, 1.482 and 1.492 for international application filing and processing fees.)

3. Section 1.17 is amended by revising paragraphs (b)-(g), (j), (m)-(o) to read as follows:

§ 1.17 Patent application processing fees.

(b) Extension fee for response within second month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$180.00
By other than a small entity \$360.00

(c) Extension fee for response within third month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$420.00
By other than a small entity \$840.00

(d) Extension fee for response within fourth month pursuant to § 1.136(a):

By a small entity (§ 1.9(f)) \$660.00
By other than a small entity \$1,320.00

(e) For filing a notice of appeal from the examiner to the Board of Patent Appeals and Interferences:

By a small entity (§ 1.9(f)) \$135.00
By other than a small entity \$270.00

(f) In addition to the fee for filing a notice of appeal, for filing a brief in support of an appeal:

By a small entity (§ 1.9(f)) \$135.00
By other than a small entity \$270.00

(g) For filing a request for an oral hearing before the Board of Patent Appeals and Interferences in appeal under 35 U.S.C. 134:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(j) For filing a petition to institute a public use proceeding under § 1.292 \$1,350.00

(m) For filing a petition:

(1) For revival of an unintentionally abandoned application, or

(2) For the unintentionally delayed payment of the fee for issuing a patent:

By a small entity (§ 1.9(f)) \$585.00
By other than a small entity \$1,170.00

(n) For requesting publication of a statutory invention registration prior to the mailing of the first examiner's action pursuant to § 1.104—\$820.00 reduced by the amount of the application basic filing fee paid

(o) For requesting publication of a statutory invention registration after the mailing of the first examiner's action pursuant to § 1.104—\$1,640.00 reduced by the amount of the application basic filing fee paid

4. Section 1.18 is amended by revising paragraphs (a)-(c) to read as follows:

§ 1.18 Patent issue fees.

(a) Issue fee for issuing each original or reissue patent, except a design or plant patent:

By a small entity (§ 1.9(f)) \$585.00
By other than a small entity \$1,170.00

(b) Issue fee for issuing a design patent:

By a small entity (§ 1.9(f)) \$205.00
By other than a small entity \$410.00

(c) Issue fee for issuing a plant patent:

By a small entity (§ 1.9(f)) \$295.00
By other than a small entity \$590.00

5. Section 1.19 is amended by revising paragraph (b)(4) and paragraphs (f) and (h) to read as follows:

§ 1.19 Document supply fees:

(b)***

(4) For assignment records, abstract of title and certification, per patent \$25.00

(f) Uncertified copy of a non-United States patent document, per document \$25.00

(h) Additional filing receipts; duplicate; or corrected due to applicant error \$25.00

6. Section 1.20 is amended by revising paragraphs (a), (c), (e)-(g) and (i) to read as follows:

§ 1.20 Post issuance fees.

(a) For providing a certificate of correction for applicant's mistake (§ 1.323) \$100.00

(c) For filing a request for reexamination (§1.510(a)) \$2,250.00

(e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond four years; the fee is due by three years and six months after the original grant.

By a small entity (§ 1.9(f)) \$465.00
By other than a small entity \$930.00

(f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond eight years; the fee is due by seven years and six months after the original grant.

By a small entity (§ 1.9(f)) \$935.00
By other than a small entity \$1,870.00

(g) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after December 12, 1980, in force beyond twelve years; the fee is due by eleven years and six months after the original grant.

By a small entity (§ 1.9(f)) \$1,410.00
By other than a small entity \$2,820.00

(i) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been unavoidable \$620.00

7. Section 1.21 is amended by revising paragraphs (a)(1), (a)(5), (a)(6), (b)(2), (b)(3), (e), and (i) and adding paragraph (p) to read as follows:

§ 1.21 Miscellaneous fees and charges.

(a) ***

(1) For admission to examination for registration to practice, fee payable upon application \$300.00

(5) For review of a decision of the Director of Enrollment and Discipline under § 10.2(c) \$130.00

(6) For requesting regrading of an examination under §10.7(c) \$130.00

(b) ***

(2) Service charge for each month when the balance at the end of the month is below \$1,000 \$25.00

(3) Service charge for each month when the balance at the end of the month is below \$300.00 for restricted subscription deposit accounts used exclusively for subscription order of patent copies as issued \$25.00

(e) International type search reports: For preparing an international type search report of an international type search made at the time of the first action on the merits in a national patent application \$40.00

(i) Publication in Official Gazette: For publication in the Official Gazette of a notice of the availability of an application or a patent for licensing or sale, each application or patent \$25.00

(p) Library service: marginal cost for providing to a Patent and Trademark Depository Library access to Automated Patent System (APS) full-text search capability, per hour of terminal session time, including print time \$70.00

8. Section 1.26 is amended by revising paragraphs (a) and (c) to read as follows:

§ 1.26 Refunds.

(a) Money paid in excess will be refunded, but a mere change of purpose after the payment of money, as when a party desires to withdraw an application, an appeal, or a request for oral hearing, will not entitle a party to demand such a return. Amounts of twenty-five dollars or less will not be returned unless specifically requested within a reasonable time, nor will the payer be notified of such amount; amounts over twenty-five dollars may be returned by check, or if requested, by credit to a deposit account.

(c) If the Commissioner decides not to institute a reexamination proceeding, a refund of \$1,690 will be made to the requester of the proceeding. Reexamination requesters should indicate whether any refund should be made by check or by credit to a deposit account.

9. Section 1.445 is amended by revising paragraph (a) to read as follows:

§ 1.445 International application filing, processing and search fees.

(a) The following fees and charges for international applications are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A transmittal fee (see 35 U.S.C. 361(d) and PCT Rule 14) \$200.00

(2) A search fee (see 35 U.S.C. 361(d) and PCT Rule 16) where:

(i) No corresponding prior United States national application with basic filing fee has been filed \$620.00

(ii) A corresponding prior United States national application with basic filing fee has been filed \$410.00

(3) A supplemental search fee when required, per additional invention \$170.00

10. Section 1.482 is amended by revising paragraphs (a) introductory text, (a)(1), and (a)(2)(ii) to read as follows:

§ 1.482 International preliminary examination fees.

(a) The following fees and charges for international preliminary examination are established by the Commissioner under the authority of 35 U.S.C. 376:

(1) A preliminary examination fee is due on filing the Demand:

(i) Where an international search fee as set forth in § 1.455(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority, a preliminary examination fee of \$450.00

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office, a preliminary examination fee of \$670.00

(2)***

(ii) Where the International Searching Authority for the international application was an authority other than the United States Patent and Trademark Office \$230.00

11. Section 1.492 is amended by revising paragraphs (a)(1)-(a)(3), (a)(5), paragraphs (b)-(d), and the parenthetical following paragraph (d) to read as follows:

§ 1.492 National stage fees.

(a) ***

(1) Where an international preliminary examination fee as set forth in § 1.482 has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f)) \$320.00
By other than a small entity \$640.00

(2) Where no international preliminary examination fee as set forth in § 1.482 has been paid to the United States Patent and Trademark Office, but an international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office as an International Searching Authority:

By a small entity (§ 1.9(f)) \$355.00
By other than a small entity \$710.00

(3) Where no international preliminary examination fee as set forth in § 1.482 has been paid and no international search fee as set forth in § 1.445(a)(2) has been paid on the international application to the United States Patent and Trademark Office:

By a small entity (§ 1.9(f)) \$475.00
By other than a small entity \$950.00

(5) Where a search report on the international application has been prepared by the European Patent Office or the Japanese Patent Office:

By a small entity (§ 1.9(f)) \$415.00
By other than a small entity \$830.00

(b) In addition to the basic national fee, for filing or later presentation of each independent claim in excess of 3:

By a small entity (§ 1.9(f)) \$37.00
By other than a small entity \$74.00

(c) In addition to the basic national fee, for filing or later presentation of each claim (whether independent or dependent) in excess of 20 (Note that § 1.75(c) indicates how multiple dependent claims are considered for fee calculation purposes.):

By a small entity (§ 1.9(f)) \$11.00
By other than a small entity \$22.00

(d) In addition to the basic national fee, if the application contains, or is amended to contain, a multiple dependent claim(s), per application:

By a small entity (§ 1.9(f)) \$115.00
By other than a small entity \$230.00

(If the additional fees required by paragraphs (b), (c) and (d) are not paid on presentation of the claims for which the additional

fees are due, they must be paid or the claims cancelled by amendment prior to the expiration of the time period set for response by the Office in any notice of fee deficiency.)

Part 2 - Rules of Practice in Trademark Cases

1. The authority citation for Part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.6 is amended by revising paragraphs (a)(1) and (b)(7) and adding paragraph (a)(19) to read as follows:

§ 2.6 Trademark fees.

(a) Trademark process fees.

(1) For filing an application, per class \$210.00

(19) Dividing an application, per new application (file wrap-per) created \$100.00

(b) Trademark service fees.

(7) For assignment records, abstract of title and certification, per registration \$25.00

3. Section 2.87 is revised to read as follows:

Section 2.87 Dividing an Application

(a) An application may be physically divided into two or more separate applications upon the payment of a fee for each new application created and submission by the applicant of a request in accordance with paragraph (d) of this section.

(b) In the case of a request to divide out one or more entire classes from an application, only the fee under paragraph (a) of this section will be required. However, in the case of a request to divide out some, but not all, of the goods or services in a class, an application filing fee for each new separate application to be created by the division must be submitted, together with the fee under paragraph (a) of this section. Any outstanding time period for action by the applicant in the original application at the time of the division will be applicable to each new separate application created by the division.

(c) A request to divide an application may be filed at any time between the filing of the application and the date the Trademark Examining Attorney approves the mark for publication or the date of expiration of the six-month response period after issuance of a final action; or during an opposition, upon motion granted by the Trademark Trial and Appeal Board. Additionally, a request to divide an application under section 1(b) of the Act may be filed with a statement of use under § 2.88 or at any time between the filing of a statement of use and the date the Trademark Examining Attorney approves the mark for registration or the date of expiration of the six-month response period after issuance of a final action.

(d) A request to divide an application should be made in a separate paper from any other amendment or response in the application. The title "Request to divide application." should appear at the top of the first page of the paper.

Aug. 17, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

Note.- The following appendix will not appear in the Code of Federal Regulations

Appendix A - Comparison of Existing and Revised Fee Amounts

Page 1

37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.16(a)	Basic Filing Fee	\$690	\$710
1.16(a)	Basic Filing Fee (Small Entity)	\$345	\$355
1.16(b)	Independent Claims	\$72	\$74
1.16(b)	Independent Claims (Small Entity)	\$36	\$37
1.16(c)	Claims in Excess of 20	\$20	\$22
1.16(c)	Claims in Excess of 20 (Small Entity)	\$10	\$11
1.16(d)	Multiple Dependent Claims	\$220	\$230
1.16(d)	Multiple Dependent Claims (Small Entity)	\$110	\$115
1.16(e)	Surcharge - Late Filing Fee	\$130	\$130
1.16(e)	Surcharge - Late Filing Fee (Small Entity)	\$65	\$65
1.16(f)	Design Filing Fee	\$280	\$290
1.16(f)	Design Filing Fee (Small Entity)	\$140	\$145
1.16(g)	Plant Filing Fee	\$460	\$480
1.16(g)	Plant Filing Fee (Small Entity)	\$230	\$240
1.16(h)	Reissue Filing Fee	\$690	\$710
1.16(h)	Reissue Filing Fee (Small Entity)	\$345	\$355
1.16(i)	Reissue Independent Claims	\$72	\$74
1.16(i)	Reissue Independent Claims (Small Entity)	\$36	\$37
1.16(j)	Reissue Claims in Excess of 20	\$20	\$22
1.16(j)	Reissue Claims in Excess of 20 (Small Entity)	\$10	\$11
1.17(a)	Extension - First Month	\$110	\$110
1.17(a)	Extension - First Month (Small Entity)	\$55	\$55
1.17(b)	Extension - Second Month	\$350	\$360
1.17(b)	Extension - Second Month (Small Entity)	\$175	\$180
1.17(c)	Extension - Third Month	\$810	\$840
1.17(c)	Extension - Third Month (Small Entity)	\$405	\$420
1.17(d)	Extension - Fourth Month	\$1,280	\$1,320
1.17(d)	Extension - Fourth Month (Small Entity)	\$640	\$660
1.17(e)	Notice of Appeal	\$260	\$270
1.17(e)	Notice of Appeal (Small Entity)	\$130	\$135
1.17(f)	Filing a Brief	\$260	\$270
1.17(f)	Filing a Brief (Small Entity)	\$130	\$135
1.17(g)	Request for Oral Hearing	\$220	\$230
1.17(g)	Request for Oral Hearing (Small Entity)	\$110	\$115
1.17(h)	Petition - Not All Inventors	\$130	\$130
1.17(h)	Petition - Correction of Inventorship	\$130	\$130
1.17(h)	Petition - Decision on Questions	\$130	\$130
1.17(h)	Petition - Suspend Rules	\$130	\$130
1.17(h)	Petition - Expedited License	\$130	\$130
1.17(h)	Petition - Scope of License	\$130	\$130
1.17(h)	Petition - Retroactive License	\$130	\$130
1.17(h)	Petition - Refusing Maintenance Fee	\$130	\$130
1.17(h)	Petition - Refusing Maintenance Fee - Expired Patent	\$130	\$130
1.17(h)	Petition - Interference	\$130	\$130
1.17(h)	Petition - Reconsider Interference	\$130	\$130
1.17(h)	Petition - Late Filing of Interference	\$130	\$130
1.20(b)	Petition - Correction of Inventorship	\$130	\$130
1.17(h)	Petition - Refusal of Publish SIR	\$130	\$130
1.17(i)(1)	Petition - For Assignment	\$130	\$130
1.17(i)(1)	Petition - For Application	\$130	\$130
1.17(i)(1)	Petition - Late Priority Papers	\$130	\$130
1.17(i)(1)	Petition - Suspend Action	\$130	\$130
1.17(i)(1)	Petition - Divisional Reissues to Issue Separately	\$130	\$130
1.17(i)(1)	Petition - For Interference Agreement	\$130	\$130
1.17(i)(1)	Petition - Amendment After Issue	\$130	\$130
1.17(i)(1)	Petition - Withdrawal After Issue	\$130	\$130
1.17(i)(1)	Petition - Defer Issue	\$130	\$130
1.17(i)(1)	Petition - Issue to Assignee	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.53	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.60	\$130	\$130
1.17(i)(1)	Petition - Accord a Filing Date Under §1.62	\$130	\$130
1.17(i)(2)	Petition - Make Application Special	\$130	\$130
1.17(j)	Petition - Public Use Processing	\$1,310	\$1,350
1.17(k)	Non-English Specification	\$130	\$130
1.17(l)	Petition - Revive Abandoned Appl.	\$110	\$110
1.17(l)	Petition - Revive Abandoned Appl. (Small Entity)	\$55	\$55
1.17(m)	Petition - Revive Unintentionally Abandoned Appl.	\$1,130	\$1,170
1.17(m)	Petition - Revive Unintentionally Abandoned Appl. (Small Entity)	\$565	\$585
1.17(n)	SIR - Prior to Examiner's Action	\$790	\$820
1.17(o)	SIR - After Examiner's Action	\$1,580	\$1,640
1.17(p)	Submission of an Information Disclosure Statement (§1.97)	—	\$200
1.18(a)	Issue Fee	\$1,130	\$1,170

Appendix A - Comparison of Existing and Revised Fee Amounts

Page 2

37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.18(a)	Issue Fee (Small Entity)	\$565	\$585
1.18(b)	Design Issue Fee	\$400	\$410
1.18(b)	Design Issue Fee (Small Entity)	\$200	\$205
1.18(c)	Plant Issue Fee	\$570	\$590
1.18(c)	Plant Issue Fee (Small Entity)	\$285	\$295
1.19(a)(1)(i)	Copy of Patent	\$3	\$3
1.19(a)(1)(ii)	Patent Copy - Expedited Local Service	\$6	\$6
1.19(a)(1)(iii)	Patent Copy Ordered Via EOS - Expedited Service	\$25	\$25
1.19(a)(2)	Plant Patent Copy	\$12	\$12
1.19(a)(3)(i)	Copy of Utility Patent or SIR in Color	\$24	\$24
1.19(b)(1)(i)	Certified Copy of Patent Application as Filed	\$12	\$12
1.19(b)(1)(ii)	Certified Copy of Patent Application as Filed, Expedited	\$24	\$24
1.19(b)(2)	Cert. or Uncert. Copy of Patent-Related File Wrapper/Contents	\$150	\$150
1.19(b)(3)	Cert. or Uncert. Copies of Office Records, per Document	\$25	\$25
1.19(b)(4)	For Assignment Records, Abstract of Title and Certification	\$20	\$25
1.19(c)	Library Service	\$50	\$50
1.19(d)	List of Patents in Subclass	\$3	\$3
1.19(e)	Uncertified Statement-Status of Maintenance Fee Payment	\$10	\$10
1.19(f)	Copy of Non-U.S. Patent Document	\$12	\$25
1.19(g)	Comparing the Certifying Copies, Per Document, Per Copy	\$25	\$25
1.19(h)	Duplicate or Corrected Filing Receipt	\$20	\$25
1.20(a)	Certificate of Correction	\$70	\$100
1.20(c)	Reexamination	\$2,180	\$2,250
1.20(d)	Statutory Disclaimer	\$110	\$110
1.20(d)	Statutory Disclaimer (Small Entity)	\$55	\$55
1.20(e)	Maintenance Fee - 3.5 Years	\$900	\$930
1.20(e)	Maintenance Fee - 3.5 Years (Small Entity)	\$450	\$465
1.20(f)	Maintenance Fee - 7.5 Years	\$1,810	\$1,870
1.20(f)	Maintenance Fee - 7.5 Years (Small Entity)	\$905	\$935
1.20(g)	Maintenance Fee - 11.5 Years	\$2,730	\$2,820
1.20(g)	Maintenance Fee - 11.5 Years (Small Entity)	\$1,365	\$1,410
1.20(h)	Surcharge - Maintenance Fee - 6 Months	\$130	\$130
1.20(h)	Surcharge - Maintenance Fee - 6 Months (Small Entity)	\$65	\$65
1.20(i)	Surcharge - Maintenance After Expiration	\$600	\$620
1.20(j)	Extension of Term of Patent	\$1,000	\$1,000
1.21(a)(1)	Admission to Examination	\$290	\$300
1.21(a)(2)	Registration to Practice	\$100	\$100
1.21(a)(3)	Reinstatement to Practice	\$15	\$15
1.21(a)(4)	Certificate of Good Standing	\$10	\$10
1.21(a)(4)	Certificate of Good Standing, Suitable Framing	\$20	\$20
1.21(a)(5)	Review of Decision of Director, OED	\$120	\$130
1.21(a)(6)	Regrading of Examination	\$120	\$130
1.21(b)(1)	Establish Deposit Account	\$10	\$10
1.21(b)(2)	Service Charge Below Minimum Balance	\$20	\$25
1.21(b)(3)	Service Charge Below Minimum Balance	\$20	\$25
1.21(c)	Filing a Disclosure Document	\$10	\$10
1.21(d)	Box Rental	\$50	\$50
1.21(e)	International Type Search Report	\$35	\$40
1.21(g)	Self-Service Copy Charge	\$0.25	\$0.25
1.21(h)	Recording Patent Property	\$40	\$40
1.21(i)	Publication in the OG	\$20	\$25
1.21(j)	Labor Charges for Services	\$30	\$30
1.21(k)	Unspecified Other Services	Actual Cost	Actual Cost
1.21(l)	Retaining Abandoned Application	\$130	\$130
1.21(m)	Processing Returned Checks	\$50	\$50
1.21(n)	Handling Fee - Incomplete Application	\$130	\$130
1.21(o)	Terminal Use APS-Text	\$40	\$40
1.21(p)	Terminal Use APS-Text by the PTDL's	—	\$70
1.24	Coupons for Patent Copies	\$3	\$3
1.296	Handling Fee - Withdrawal SIR	\$130	\$130
1.445(a)(1)	Transmittal Fee	\$190	\$200
1.445(a)(2)(i)	PCT Search Fee - No U.S. Application	\$600	\$620
1.445(a)(2)(ii)	PCT Search Fee - Prior U.S. Application	\$400	\$410
1.445(a)(3)	Supplemental Search	\$160	\$170
1.482(a)(1)(i)	Preliminary Exam Fee	\$440	\$450
1.482(a)(1)(ii)	Preliminary Exam Fee	\$650	\$670
1.482(a)(2)(i)	Additional Invention	\$140	\$140
1.482(a)(2)(ii)	Additional Invention	\$220	\$230
1.492(a)(1)	Preliminary Examining Authority	\$620	\$640
1.492(a)(1)	Preliminary Examining Authority (Small Entity)	\$310	\$320
1.492(a)(2)	Searching Authority	\$690	\$710
1.492(a)(2)	Searching Authority (Small Entity)	\$345	\$355
1.492(a)(3)	PTO Not ISA nor IPEA	\$920	\$950
1.492(a)(3)	PTO Not ISA nor IPEA (Small Entity)	\$460	\$475

Appendix A - Comparison of Existing and Revised Fee Amounts

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37 CFR Sec.	DESCRIPTION	Dec 1991	Oct 1992
1.492(a)(4)	Claims - IPEA	\$90	\$90
1.492(a)(4)	Claims - IPEA (Small Entity)	\$45	\$45
1.492(a)(5)	Filing with EPO/JPO Search Report	\$800	\$830
1.492(a)(5)	Filing with EPO/JPO Search Report (Small Entity)	\$400	\$415
1.492(b)	Claims - Extra Individual (Over 3)	\$72	\$74
1.492(b)	Claims - Extra Individual (Over 3) (Small Entity)	\$36	\$37
1.492(c)	Claims - Extra Total (Over 20)	\$20	\$22
1.492(c)	Claims - Extra Total (Over 20) (Small Entity)	\$10	\$11
1.492(d)	Claims - Multiple Dependents	\$220	\$230
1.492(d)	Claims - Multiple Dependents (Small Entity)	\$110	\$115
1.492(e)	Surcharge	\$130	\$130
1.492(e)	Surcharge (Small Entity)	\$65	\$65
1.492(f)	English Translation - After 20 Months	\$130	\$130
2.6(a)(1)	Application for Registration, Per Class	\$200	\$210
2.6(a)(2)	Amendment to Allege Use, Per Class	\$100	\$100
2.6(a)(3)	Statement of Use, Per Class	\$100	\$100
2.6(a)(4)	Extension for Filing Statement of Use, Per Class	\$100	\$100
2.6(a)(5)	Application for Renewal, Per Class	\$300	\$300
2.6(a)(6)	Surcharge for Late Renewal, Per Class	\$100	\$100
2.6(a)(7)	Publication of Mark Under §12(a), Per Class	\$100	\$100
2.6(a)(8)	Issuing New Certificate of Registration	\$100	\$100
2.6(a)(9)	Certificate of Correction of Registrant's Error	\$100	\$100
2.6(a)(10)	Filing Disclaimer to Registration	\$100	\$100
2.6(a)(11)	Filing Amendment to Registration	\$100	\$100
2.6(a)(12)	Filing Affidavit Under Section 8, Per Class	\$100	\$100
2.6(a)(13)	Filing Affidavit Under Section 15, Per Class	\$100	\$100
2.6(a)(14)	Filing Affidavit Under Sections 8 & 15, Per Class	\$200	\$200
2.6(a)(15)	Petitions to the Commissioner	\$100	\$100
2.6(a)(16)	Petition to Cancel, Per Class	\$200	\$200
2.6(a)(17)	Notice of Opposition, Per Class	\$200	\$200
2.6(a)(18)	Ex Parte Appeal to the TTAB, Per Class	\$100	\$100
2.6(a)(19)	Dividing an Application, Per New Application Created	—	\$100
2.6(b)(1)(i)	Copy of Registered Mark	\$3	\$3
2.6(b)(1)(ii)	Copy of Registered Mark, Expedited	\$6	\$6
2.6(b)(1)(iii)	Copy of Registered Mark Ordered Via EOS, Expedited Svc. \$	25	\$25
2.6(b)(2)(i)	Certified Copy of TM Application as Filed	\$12	\$12
2.6(b)(2)(ii)	Certified Copy of TM Application as Filed, Expedited	\$24	\$24
2.6(b)(3)	Cert. or Uncert. Copy of TM-Related File Wrapper/Contents	\$50	\$50
2.6(b)(4)(i)	Cert. Copy of Registered Mark, Title or Status	\$10	\$10
2.6(b)(4)(ii)	Cert. Copy of Registered Mark, Title or Status - Expedited	\$20	\$20
2.6(b)(5)	Certified or Uncertified Copy of TM Records	\$25	\$25
2.6(b)(6)	Recording Trademark Property, Per Mark, Per Document	\$40	\$40
2.6(b)(6)	For Second and Subsequent Marks in Same Document	\$25	\$25
2.6(b)(7)	For Assignment Records, Abstracts of Title and Cert.	\$20	\$25
2.6(b)(8)	Terminal Use T-SEARCH	\$40	\$40
2.6(b)(9)	Self-Service Copy Charge	\$0.25	\$0.25
2.6(b)(10)	Labor Charges for Services	\$30	\$30
2.6(b)(11)	Unspecified Other Services	Actual Cost	Actual Cost
1.19(g)	Comparing and Certifying Copies, per Document, per Copy	\$25	\$25
1.24	Trademark Coupons	\$3	\$3

[1141 TMOG 73]

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THE RETENTION SCHEDULE FOR TRADEMARK RECORDS

As with most government agencies, the Patent and Trademark Office disposes of old files, papers and records pursuant to a specific schedule. In an effort to clarify any questions concerning the procedures for disposing of Trademark records and in response to public inquiries, the present Retention Schedule for Trademark Records and other records including trademark matters which may be of interest to the public is set forth as follows:

International Intellectual Property Activities Case Files. Project case files showing Patent and Trademark Office activity relating to problems concerning the protection of intellectual property throughout the world. Includes correspondence with private individuals, the Department of State and other countries; reports, records of international meetings concerning patents; trademarks and other matters pertaining to the protection of intellectual property throughout the world; and other materials relating to international affairs.

PERMANENT. Transfer to FRC 5 years after close of case. Offer to National Archives when 25 years old.

Proposed Intellectual Property Legislation Files. Documents accumulated in the preparation and processing of legislation proposed by or in the interests of the Patent and Trademark Office. Includes drafts of legislation, reports to committees on introduced legislation, and comments on legislative proposals.

PERMANENT. Transfer to FRC after 5 years. Offer to National Archives when 25 years old.

Trademark Adversary Proceedings Files. Consists of Trademark Opposition, Cancellation, Interference, and Concurrent-Use proceedings files.

Canceled Trademark Registration Files. Consists of original application and all related correspondence.

Expired Trademark Registration Files. Consists of original application and all related correspondence.

Abandoned Trademark Application Files. Consists of original application and all related correspondence.

Trademark Renewal Index. Index to trademark registration that are renewed.

Indexes to Trademark Applications. Index shows applicant's name, serial number of application, filing date, name of mark description of goods, attorney's name, and final disposition of the application.

A. Applicant's Index.

B. Serial Index.

Proceedings Index to Trademark Adversary Proceedings. Index arranged by type of proceeding. Shows status of proceeding prior to and immediately after a decision by the Board.

Trademark Adversary Proceeding Records. Card file showing records of Trademark Adversary Proceedings.

Trademarks Published in Official Gazette. Clippings of marks from *Official Gazette*.

- a. Those which have been opposed.
- b. All others.

Trademark Registrant's Index. Index to Trademark registrant's name, includes serial and registration numbers, date of registration, line of goods and other related information.

Class of Goods Index. Card index used to indicate into what class any conceivable goods may fall.

Index to Trademark Trial and Appeal Board Cases. Record of trademark trial and appeal board cases.

Public Advisory Committee for Trademark Affairs Files.

- a. Agenda, minutes, correspondence, reports and related supporting files.
- b. Paper and reference materials.

Seminar in Trademark Practice and Procedure Files. Record set of training materials used in training trademark examiners.

Trademark Petitions Files. Petitions to the Commissioner relating to trademarks with related materials.

- a. Original Petitions in trademark case file.
- b. Other copies.

Trademark Protest Letters. Letters of protest to the Commissioner related to trademarks.

The past schedule to destroy after 10 years is in the process of being changed. At this time, these records are not being disposed of pending the new amendment to this section.

Destroy 2 years after the date of cancellation.

Destroy 2 years after expiration of registration.

Destroy 2 years after date of abandonment.

PERMANENT. Offer to National Archives when no longer needed for reference.

PERMANENT. Offer to National Archives when no longer needed for reference.

PERMANENT. Offer to National Archives when no longer needed for reference.

Destroy 3 years after termination of the proceeding.

PERMANENT. Offer to National Archives when no longer needed for reference.

Retain in agency until no longer needed for reference.

Destroy when mark is registered.

PERMANENT. Offer to National Archives when no longer needed for reference.

Destroy after information transferred to magnetic media.

PERMANENT. Offer to National Archives when no longer needed for reference.

PERMANENT. Transfer to Federal Records when 10 years old. Offer to National Archives when 25 years old.

Destroy when 10 years old or no longer needed for reference, whichever is sooner.

PERMANENT. Transfer to Federal Records Center when 10 years old. Offer to National Archives when 25 years old.

Dispose of with related case file.

Destroy when 2 years old.
Destroy when no longer needed or when three years old, whichever is earlier.

International Patent and Trademark Activities Case Files. Project case files showing Patent and Trademark Office activity relating to international patent and trademark programs.

- a. Records that supplement the International Property Activities Case Files (Item 103).
- b. Other materials.

International Intellectual Property Activities Case Files. Project case files showing Patent and Trademark Office activity relating to problems concerning the protection of intellectual property throughout the world. Includes correspondence with private individuals, the Department of State and other countries; reports; records of international meetings concerning patents, trademarks and other matters pertaining to the protection of intellectual property throughout the world; and other materials relating to international affairs.

Proposed Intellectual Property Legislation Files. Documents accumulated in the preparation and processing of legislation proposed by or in the interest of the Patent and Trademark Office. Includes drafts or legislation, reports to committees on introduced legislation, and comments on legislative proposals.

Bulky Trademark Specimens. Trademark applications specimens which do not strictly meet the basic requirements for physical form of specimens which state:

1. That they be made of material suitable for being placed inside a manila file wrapper.
2. That they be capable of being arranged flat, such as being folded.
3. That they be of a size not to exceed 8 1/2 inches wide by 13 inches long. (Rule 2.56).

These requirements provide for specimens which will fit inside the application file wrapper, which is 9 x 14 inches in size and which will conveniently expand to about one inch thickness.

Specimens which do not meet the above requirements are referred to as "bulky" specimens and the Examiner must require that they be replaced by specimens of acceptable size and shape.

February 28, 1979.

SAUL LEFKOWITZ,
Acting Assistant Commissioner
for Trademarks.

[980 TMOG 16]

(277) Proposed Records Control Schedule

As with most government agencies, the Patent and Trademark Office periodically updates the schedule it uses to dispose of old files, papers and records. Set forth below is a recent update of the Patent and Trademark Office's Records Control Schedule. The schedule is currently being reviewed by the National Archives and Records Administration and, following its approval, will constitute the basis for disposing of Patent and Trademark Office records.

Any comments or questions related to the proposed schedule should be directed to John Hassett, (703) 557-0183. Written comments should be mailed to:

John Hassett, Director
Patent and Trademark Office
Crystal Plz. 1, Lobby
Washington, D.C. 20231

June 17, 1986.

THERESA A. BRELSFORD,
Assistant Commissioner
for Administration.

Commissioner's and Deputy Commissioner's Records

1. *Commissioner's Correspondence and Subject Files.* Correspondence to and from other public officials, members of the public, and the Patent and Trademark Office staff; reports; special investigations and survey reports; and related

PERMANENT. Transfer to office responsible for international affairs after case is closed.

Destroy 5 years after close of case or sooner if no longer needed.

PERMANENT. Transfer to FRC 5 years after close of case. Offer to National Archives when 25 years old.

PERMANENT. Transfer to FRC after 5 years. Offer to National Archives when 25 years old.

Destroy 30 days after applicant is notified that the specimens are unacceptable, unless picked up sooner by the applicant.

materials. (See index under Item 3).

PERMANENT. Transfer to Federal Records Center when 5 years old. Offer to National Archives when 25 years old.

2. *Reports to the Commissioner.* Reports received by the Commissioner from the Patent and Trademark Office staff and maintained as separate series.

PERMANENT. Transfer to Federal Records Center when 5 years old. Offer to National Archives when 25 years old.

3. *Index to Commissioner's Correspondence and Subject Files.* Card index to records described under Item 1.

PERMANENT. Transfer to Federal Records Center with related files. Offer to National Archives with related files.

4. *Deputy Commissioner's Correspondence and Subject Files.* Correspondence to and from other public officials, members of the public, and the Patent and Trademark Office staff, with related materials (exclusive of records retained in Item 1).

PERMANENT. Transfer to Federal Records Center when 5 years old. Offer to National Archives when 25 years old.

5. *Policy Documentation Files.* Formal policy and procedural issuances, current and obsolete, such as organizational charts, regulations, orders, circulars, manuals, and other types of directives, with related forms, recommendations, endorsements, clearances and comments.

PERMANENT. Transfer to FRC when obsolete. Offer to National Archives when 25 years old.

6. *Work-Flow Control and/or Statistical Reports Files*. Various periodic statistical reports used to show the flow of work through the Patent and Trademark Office and the printers, such as PALM, TRAM, PMS Statistical Reports on Patents to printers, and similar reports.
Destroy when 5 years old or sooner if no longer needed.
7. *Production and Pendency Reports Files*. Quarterly, monthly, and biweekly statistical reports prepared to show the production and quality output of examiners and clerks and the status of the assigned projects. Reports are mainly used to evaluate the efficiency of personnel for promotion purposes.
 - a. Office of Assistant Commissioners or equivalent.
Transfer to FRC when 5 years old. Destroy when 10 years.
 - b. Other Offices.
Destroy when updated report is received.
8. *Special Studies Files*. Report on special studies surveys, and inspections of operations, management and systems with related papers showing their inception, scope, procedure and results.
PERMANENT. Transfer to FRC when 10 years old. Offer to National Archives when 25 years old.
9. *Narrative and Statistical Reports Files*. Annual or other periodic narrative and statistical reports.
 - a. Reports to the Office of the Commissioner and the Offices of the Assistant Commissioners.
PERMANENT. Transfer to FRC when 10 years old. Offer to the National Archives when 25 years old.
 - b. Other Offices.
Destroy when 5 years old.
10. *Internal Administrative Files*. Administrative operations files of organizational offices, consisting of:
 - a. Correspondence concerning routine or temporary internal administrative matters.
Destroy when 2 years old.
 - b. Office personnel files.
Destroy after separation of employee.
 - c. Completed requisitions for services, supplies and equipment, and travel documents.
Destroy 1 year after action is completed.
 - d. Records pertaining to charity drives, bond campaigns, blood donations, and other voluntary activities.
Destroy on completion of program.
 - e. Hand receipt files.
Destroy when property is accounted for.
 - f. Suspense files.
Destroy when purpose is served.
 - g. Chronological files.
Destroy when 2 years old.
11. *Program Planning and Evaluation Files*. Files showing the overall development of Patent and Trademark Office plans and the evaluation of their effectiveness. Included are one copy of each staff study, evaluation report, system study, and related correspondence and background materials.
PERMANENT. Transfer to FRC when 10 years old. Offer to National Archives when 30 years old.
12. *Surplus Property Case Files*. Case files on disposal of surplus real and related personal property.
Transfer to FRC 3 years after close of file. Destroy 10 years after close of file.
13. *Excess Real Property Reports*. Reports of real property with related papers.
Destroy when 10 years old.
14. *Budget Policy and Procedure Correspondence Files*. Correspondence files showing Patent and Trademark Office policy and procedure governing budget administration, and reflecting expenditures for Patent and Trademark Office programs.
PERMANENT. Transfer to FRC when 10 years old. Offer to National Archives when 25 years old.
15. *Budget Estimates Files*. File copies of budget estimated comprising appropriation language sheets, narrative statements, and related schedules and data.
PERMANENT. Transfer to FRC after 10 years. Offer to National Archives when 25 years old.
16. *Records Disposition Files*. Descriptive inventories, disposal authorizations, schedules for retirement of records and correspondence or memoranda relating to revisions.

- PERMANENT**. Offer to National Archives when 25 years old or when no longer needed, whichever is longer.
17. *Forms Files*. One copy of each form with data showing the inception and scope of the form, the program or administrative purpose of the form, and the related procedure instituted, revised, superseded, or canceled.
PERMANENT. Offer to National Archives when 25 years old or when no longer needed, whichever is longer.
 18. *Systems Development Program Files*. Program documents, schedules, and correspondence pertaining to the execution, review, and analysis of Patent Office research and development programs, and relating to the general planning and supervision of the programs.
PERMANENT. Transfer to FRC 5 years after completion to program. Offer to National Archives 20 years later or when 25 years old, whichever is sooner.
 19. *Systems Development Task Force, Committee, and Board Files*. Agendas, directives, minutes of meetings, and related papers, of Task Forces, Committees, Board, etc. of which the Patent Office serves as Secretary, or Chairman thereof.
PERMANENT. Transfer to FRC 5 years after close of file. Offer to National Archives 20 years later or after 25 years old, whichever is sooner.
 20. *Technical Report Files*. One copy of each technical report of unpublished manuscript or report prepared in connection with a project, terminal narratives, statistical and graphic complications, summarizations, analyses, and related papers.
PERMANENT. Transfer to FRC when 5 years old. Offer to National Archives when 25 years old.
 21. *Systems Development Project Case Files*. Project case files reflecting a complete history of each project from initiation through research, development, design, and testing to completion.
PERMANENT. Transfer to FRC 5 years after completion or termination of project. Offer to National Archives when 25 years old.

ADP Records (also in GRS 20)

22. *ADP Planning Documents Files*. Planning documents consisting of master plan, feasibility studies with associated charts and diagrams, and supporting data that reflect on characteristics of the data automation activity.
PERMANENT. When no longer needed or used offer to National Archives with related materials.
23. *ADP Program Management Files*. Program management documents consisting of the development of plans, policy, and procedures governing the conversion of electrical machine operations and the supervision, control, coordination, and operation of the mechanization program.
PERMANENT. Offer to National Archives with related materials.
24. *ADP Standardizations Files*. Standardization files consisting of data elements and codes, standardization requests, and justification for all data systems developed by or for the Patent Office.
PERMANENT. Offer to National Archives with related materials.
25. *ADP Data Systems Planning Files*. Documents containing definition of the system.
PERMANENT. Offer to National Archives with related materials.
26. *ADP Information Retrieval System Master Reference File*. Magnetic media containing an index to patents and trademarks and publications.
PERMANENT. Offer to National Archives on termination of Patent and Trademark Office.
27. *Publication Tape File*. Magnetic media which are reproduced and disseminated as publication or used for reproducing a printed publication.
PERMANENT. Offer to National Archives when publication needs cease.

Patent Records

28. *Advertising Files*. Copies of proposed advertising matter, circulars, letters, cards, and related correspondence in-

tended to solicit patent business and submitted by registrants as required by regulations.

Destroy when 25 years old.

29. *Complaint Files*. Case files relating to complaints made against attorneys registered to practice before the Patent Office.

Destroy on death of attorney.

30. *Board of Appeals Decisions Files*. Copies of Board of Appeals decisions with related background materials.

- a. Cases patented.

Destroy 10 years after patent issued.

- b. All others.

Destroy 10 years after appeal is decided.

31. *Indexes to Appeal Cases*. Indexes, arranged in various ways, to the appeal cases.

Destroy 30 years after date of appeal.

32. *Declaration of Assistance Received Files*. Form received from applicants showing assistance received, if any, in the preparation of application for patent (PTOL-284).

33. *Academy Lecture Files*. Lectures prepared by the Staff for presentation at the Academy. (These lectures are updated periodically to reflect the changing views of the Patent and Trademark Office)

- a. Historical Sample

PERMANENT. Retain 1 copy of each basic lecture and of any major changes made to it. Offer to NARS when 25 years old.

- b. All other copies.

Destroy when obsolete.

34. *Academy Training Sessions Files*. Background materials relating to each session of the Patent Office Academy, including names of attendees and instructors, schedule of classes, evaluation sheets, and related materials.

PERMANENT. Offer to National Archives when 25 years old.

35. *Academy Examinations Files*. Completed examinations of persons attending the Academy.

Destroy when 1 year old.

36. *Academy Application Files*. Applications for training in the Academy, including memoranda of agreement and personal history statements.

Destroy when 2 years old.

37. *Academy Correspondence File*. Correspondence relating to the courses offered by the Patent Office Academy.

Destroy when 5 years old.

38. *Disclosure Document File*. Documents submitted by inventors as evidence of the date of conception of an invention.

- a. Disclosure Documents referred to in a separate letter in a related patent application filed within two years.

Dispose of with related patent application.

- b. Disclosure Documents not referred to.

Destroy when 2 years old.

39. *Disclosure Documents Index*. Cross-reference index to Disclosure Documents maintained by inventor's name and includes DD number and date of receipt.

Destroy with related DD's.

40. *Index to Patents Available for License or Sale*. Index created when a patent is made available for license or sale, issued to the U.S. Government or dedicated to the Public.

Destroy when no longer needed for reference.

41. *General Correspondence File*. Consists mainly of inquiries and requests for information and publications. Also includes correspondence regarding the "Register of Patents Available for License or Sale."

Destroy when 3 years old.

42. *Foreign Filing Licensing Documents*. Petitions to the Commissioner of Patents and Trademarks for license to file applications for patents in foreign countries.

Destroy 25 years after date of issue.

43. *Indexes to Foreign Filing Licensing Documents*. Indexes to licensing documents described in Item 43.

Destroy 25 years after issue.

44. *Transmittals to Other Agencies Files*. Copies of transmittal letters to other agencies enclosing correspondence and related enclosures sent to the Patent and Trademark Office for services rendered by other agencies, such as copyright information and requests for publications from the Government Printing Office.

Destroy when 1 year old.

45. *D-1 Files*. Files relating to patent applications which may have a bearing on national security. Files usually consist of form listing serial number of application filing date, examining unit, title of invention, attorney assignee, and the concurrences listing the recommendation, signature, agency, and date; a memorandum summary indicating whether a secrecy order is required; the defense agency's request for a secrecy order; the secrecy order issued; and related materials.

Destroy 35 years after date of receipt for review.

46. *Drawing Correction Slips*. Index arranged by serial number of application and used to locate orders for correction of drawings.

Destroy when 2 years old.

47. *Inventor's Index to Patent Applications*. Index arranged alphabetically by name of the inventor. Each slip shows the inventor's name and residence, title of the invention, name and address of the attorney, application serial number and the filing date of the application.

PERMANENT. Offer to National Archives when no longer needed for reference.

48. *Numerical (serial) Index to Patent Applications*. Index arranged by the serial number assigned to the application.

PERMANENT. Offer to National Archives when no longer needed for reference.

49. *Assignment Document Files and Index*. Copies of documents assigning and transferring from one party to another the rights, title, and interest to trademarks and inventions and the letters patent obtained therefrom with related indexes.

PERMANENT. Offer to the National Archives when no longer needed for current business.

50. *Indexes to Government Interests*. Indexes to patents in which the Federal government has an interest by virtue of either of ownership of the application or resulting patent, thru assignment, or receipt of a license.

- a. Government Agency Index.

PERMANENT. Offer to National Archives when no longer needed for reference.

- b. Patent Number Index.

Destroy when no longer needed for reference.

- c. Assignor Index.

Destroy when no longer needed for reference.

51. *Petitions to the Commissioner*. Petitions to the Commissioner concerning patent applications.

- a. Original petitions in patent case file.

Dispose of with related case file.

- b. Other copies.

Destroy when 2 years old.

52. *Patent Protest Letters*. Protest to the grant of a patent (Rule 291).

- a. Letters filed in patent case file.

Dispose of with related case file.

- b. Others.

Destroy when 5 years old.

53. *Patent Docket Cards*. Cards used to control patent applications.

Destroy when 6 months old.

54. *Classifications Definitions Files*. One copy of each issuance of *Classifications Definitions*, with related background papers.

PERMANENT. Transfer to FRC when 10 years old. Offer to National Archives when 30 years old.

55. *Canceled Drawings*. Drawings that were canceled because they did not meet Patent and Trademark Office specifications. Copy of drawing is filed with application.

Destroy 5 years after filing date.

56. *Abandoned Patent Application Files*. Patent applications that did not result in a patent.

- a. Those that are retained because they are referred to in another application that may have become patented.

Dispose of with patent file in which cited.

- b. All others.

Destroy when 20 years old.

57. *Patent Files*. Case files showing the prosecution of application for, and the granting of, a patent. Includes the original application, copy of drawing, and all material relating to the prosecution of the application and subsequent actions by the Patent and Trademark Office.

- a. Files selected by the Commissioner of Patents and Trademarks or the Archivist of the U.S.
PERMANENT. Transfer to Federal Records Center when 10 years old. Offer to National Archives when 40 years old.
- b. All others.
Destroy when 35 years old.
58. *Patent File Charge-out Records.* Record showing name of person charging out a patent file.
Destroy after file is returned and all papers are determined to be in file.
59. *Statistical Reports on Patents to Printers Files.* Weekly statistical report to management concerning the number of patents sent to the printers and the amount of backlog.
- a. Original Report.
Destroy when 5 years old.
- b. Operating Unit Copy.
Destroy when 2 years old.
60. *Quality Review of Sample of Allowed Applications.* Records relating to the examination of allowed applications sampled for quality review, includes query to the examining group and their reply.
Destroy 1 year after ultimate disposition of related case.
61. *Sample Pull-Rate Files.* Form showing which of the allowed applications are to be selected for the quality review sample, includes the pull rate and list of applications by serial number.
Destroy when 1 year old.
62. *Printer-Waiting Register Files.* Register showing status of Query Disposition Records return to a group for reply.
Destroy when 1 year old.
63. *Query Disposition Record Files.* Form used to return printer-waiting cases to a group for answer to a specific query.
Destroy 6 months after query is returned.
64. *Batch Control Sheet for Allowed Cases Files.* Form uses as input to PALM System showing routing control and batch contents, such as PTO Form 1238-1.
Destroy when 1 year old.
65. *Checklist for Applications Allowed by Examiner File.* Form used in completing a final review of allowed applications before sending to the printer, such as PTO Form 1167.
Destroy when 1 year old.
66. *Patent Interference Files.* Case files produced in the process of resolving of adjudicating conflicts arising between parties in this matter of priority of invention.
- a. Cases that reach the hearing stage.
PERMANENT. Transfer to Federal Records Center when 10 years old. Offer to National Archives when 40 years old.
- b. Cases that are abandoned before reaching a hearing.
Destroy when 40 years old.
67. *Board of Interference Decisions.* Copies of Board of Interference Decisions.
PERMANENT. Offer to the National Archives when 40 years old.
68. *Index to Patent Interferences.* Arranged numerically by interference number. Shows names of parties involved, application serial number and/or patent numbers involved, subject of interference, sections, date of hearings, decisions rendered, and other remarks.
PERMANENT. Offer to National Archives when 40 years old.
69. *Index to Interference Exhibits.* Describes exhibits in each interference.
Destroy when 40 years old.
70. *Proceedings Under AEC and NASA Acts.* Separate series of interference files relating to the SEC and NASA Acts. Dispose of with related patent files.
71. *Settlement Agreements.* Files relating to the settlement agreed to by parties in the interference.
Dispose of with related interference case file.
72. *Court Cases.* Proceedings in cases where the Commissioner is a party of a civil suit.
- a. Cases selected by the Solicitor as being precedent setting or of historical or political significance.
PERMANENT. Offer to the National Archives when 30 years old.
- b. All other cases.
Destroy when 30 years old.
73. *Index to Court Cases.* Card index to cases described under Item 72.
Retain in agency until no longer needed for reference.
74. *Roster of Registered Patent Attorneys and Agents.* Printout listing registered patent attorneys and agents.
Destroy after undated listing is received.
75. *Case Folders of Registered Attorneys and Agents.* Application folders of the attorneys, agents, or firms registered to practice before the Patent and Trademark Office.
Destroy on death of attorney or agent.
76. *Unsuccessful Application for Registration to Practice before the Patent and Trademark Office.* Application folders of those applicants who failed to be registered.
Destroy 5 years after date of examination.
77. *Examination Papers of Applicants for Registration.* Examination answer papers to applications for registration to practice before the Patent and Trademark Office.
Destroy after grades are recorded.

Trademark Records

78. *Trademark Examiners Work Reports.* Records showing amount of work processed by examiners in a given time. Used to evaluate examiners work and progress.
Destroy when 5 years old.
79. *Trademark Adversary Proceedings Files.* Consists of Trademark Opposition, Cancellation, Interference, and Concurrent-Use proceedings files.
Destroy when 25 years old. Check with the Chairman of the Trademark Trial and Appeal Board before destruction. General Services should generate a list of files to be destroyed and send to the Search Room to destroy matching cards in Adversary Proceeding file.
80. *Canceled Trademark Registration Files.* Consists of original application and all related correspondence.
Destroy 2 years after the date of cancellation.
81. *Expired Trademark Registration Files.* Consists of original application and all related correspondence.
Destroy 2 years after expiration of registration.
82. *Abandoned Trademark Application Files.* Consists of original application and all related correspondence.
Destroy 2 years after date of abandonment.
83. *Trademark Renewal Index.* Index to trademark registrations that are renewed.
PERMANENT. Offer to National Archives when no longer needed for reference.
84. *Indexes to Trademark Applications.* Index shows applicant's name, serial number of application, filing date, name of mark description of goods, attorney's name, and final disposition of the application.
- a. Applicant's Index.
PERMANENT. Offer to National Archives when no longer needed for reference.
- b. Serial Index.
PERMANENT. Offer to National Archives when no longer needed for reference.
85. *Proceedings Index to Trademark Adversary Proceedings.* Index in the Trademark Public Search Library arranged by type of proceeding.
Destroy card from list sent by the Warehouse after matching Adversary Proceeding file is destroyed.
86. *Trademark Adversary Proceedings Records.* Card file maintained at the Trademark Trial and Appeal Board, showing records of Trademark Adversary Proceedings, with information on mark, parties, disposition, termination date, etc.
PERMANENT. Offer to National Archives when no longer needed for reference.
87. *Trademark Registrant's Index.* Index to Trademark registrant's name, includes serial and registration numbers, date of registration, line of goods and other related information.
PERMANENT. Offer to National Archives when no longer needed for reference.
88. *Index to Trademark Trial and Appeal Board Ex Parte Cases.* Record of Trademark Trial and Appeal Board cases in ex parte appeals.
PERMANENT. Offer to National Archives when no longer needed for references.

89. *Public Advisory Committee for Trademark Affairs Files.* Agenda, minutes, correspondence, reports, working papers, reference materials, and related supporting files.
Destroy when 10 years old or no longer needed for reference.
90. *Trademark Petitions Files.* Petitions and decisions to the Commissioner relating to trademarks, with related materials.
a. Original Petitions in trademark case file.
Dispose of with related case file.
b. Copies of petition decisions in petition number order and in subject order in the Assistant Commissioner's Office.
PERMANENT. Offer to the National Archives when no longer needed for references.
c. Other copies.
Destroy when 2 years old.
91. *Trademark Protest Letters.* Letters of protest to the Commissioner related to trademarks.
Destroy when no longer needed or when three years old, whichever is earlier.

Public Information and Service Records

92. *International Intellectual Property Activities Case Files.* Project case files showing Patent and Trademark Office activity relating to problems concerning the protection of intellectual property throughout the world. Includes correspondence with private individuals, the Department of State and other countries; reports; records of international meetings concerning patents; trademarks and other matters pertaining to the protection of intellectual property throughout the world; and other materials relating to international affairs.
PERMANENT. Transfer to FRC 5 years after close of case. Offer to National Archives when 25 years old.
93. *Proposed Intellectual Property Legislation Files.* Documents accumulated in the preparation and processing of legislation proposed by or in the interest of the Patent and Trademark Office. Includes drafts of legislation, reports to committees on introduced legislation, and comments on legislative proposals.
PERMANENT. Transfer to FRC after 5 years. Offer to National Archives when 25 years old.
94. *Printed Articles Files.* Articles submitted for clearance and printed in magazines, journals, and other information media, including related background materials.
Destroy when 10 years old.
95. *Public Affairs Report.* Weekly, monthly, and quarterly reports relating to public affairs activities prepared for the Department of Commerce.
Destroy when 6 months old.
96. *Speakers Files.* Correspondence, schedules, travel material and related records concerning the scheduling of Patent and Trademark Office speakers.
Destroy when 3 years old.
97. *Exhibit Files.* Correspondence, photographs, reports and related materials concerning major exhibits developed by the Patent and Trademark Office, such as the 175th anniversary exhibit.
PERMANENT. Transfer to FRC when 10 years old. Offer to the National Archives when 30 years old.
98. *Photograph Files.* Photographs of key Patent and Trademark Office officials, major exhibits and other subjects that related to the functioning of the Patent and Trademark Office. Includes the negative and one positive print.
PERMANENT. Offer for transfer to the National Archives when 20 years old.
99. *Publications Files.* Official record copy of each publication that contributes to an understanding of the organization and functioning of the Patent and Trademark Office.
PERMANENT. Transfer to FRC when 10 years old. Offer to National Archives when 30 years old.
100. *Speech Files.* Official records copy of each speech given by the Commissioner and other Patent and Trademark Office executives.
PERMANENT. Transfer to FRC when 10 years old. Offer to the National Archives when 30 years old.
101. *News Release Files.* Official records copy of each new release.
PERMANENT. Transfer to Federal Records Center when 10 years old. Offer to National Archives when 30 years old.
102. *Patents Received and Files Register.* Register showing date and number of patent cases received in search room and date filed.
Destroy 2 years after date of last entry in volume.
103. *Reports on Search Room Activities Files.* Weekly, monthly and other periodic reports showing production and general activities of the public search room, with related background papers.
a. Original Report.
Destroy when 1 year old.
b. Operating Office Copy.
Destroy when 2 years old.
104. *Patent and Trademark Reproduction Copy Files.* The master copy of patents and trademarks used for the photoreproduction of sales copies, includes original drawings and specifications.
Transfer to FRC when 10 years old. Destroy when 20 years old.
105. *Reprint Requisition File.* Requisitions, such as PTO Form 228, used for ordering the reprint or printed patents or trademarks after current stock is depleted.
Destroy when 1 year old.
106. *Sales Journal.* Shows statistical information on sales of copies of patents and trademarks.
Destroy when 5 years old.
107. *Correspondence and Sale Control Records.* Records used to control the flow of correspondence and sale of printed materials.
Destroy when 1 year old.
108. *Requests for Publications.* Correspondence requesting copies of certain publications and other printed materials.
Return requests with ordered materials.
109. *Microform Files.* Microform copies of applications as filed, printed patent files and printed trademark files.
a. Master microfilm files. (Certified as processed under 41 CFR 101-11.504)
PERMANENT. Transfer to classified site. Offer to National Archives when 25 years old.
b. All other microform copies
Non-Records
110. *Charged-Out Slips File.* Slips recording the charge-out of records to Patent and Trademark Office employees and the public, such as PTO Forms 124, 125, and 271.
Destroy when records are returned.
111. *Binding Instructions.* Cards showing instructions on how the various publications received by the library are to be bound.
Destroy when no longer needed.
112. *Charge-out Files of Library Materials.* Sets of 3"x 5" cards showing records of library materials on temporary or indefinite loan to researchers or Patent and Trademark Office staff.
Destroy when obsolete or on return of book.
113. *Interlibrary Loans Files.* Records of books borrowed from other libraries.
Destroy 2 years after return of book.
114. *Library Serial Order Cards.* 3"x 5" cards used to record purchase of journals, magazines, etc.
Destroy when no longer needed for reference.
115. *Library Book Order Cards.* 3"x 5" cards showing book purchases.
Destroy when no longer needed for reference.
116. *Foreign Patent Accession Register.* Bound volumes arranged by country. Each shows the patent number and the date that copy was received in the Patent and Trademark Office.
Destroy when no longer needed for reference.
117. *Inventor's Index.* Arranged alphabetically by name of inventor. Shows name and address of inventor, title of invention, serial number of application, patent number, date of issuance, attorney, and assignee.
PERMANENT. Offer to National Archives when no longer needed for reference.
118. *PTO Procurement Files.* Contract, requisition, purchase order, lease, and bond and surety records, including correspondence and related papers pertaining to award, ad-

ministration, receipt, inspection and payment (other than those covered in Items 1, 2, 13, and 15).

a. Procurement or purchase organization copy, and related papers.

1. Transactions of more than \$10,000 and all construction contracts exceeding \$2,000.

Destroy 6 years and 3 months after final payment.

2. Transactions of \$10,000 or less and construction contracts under \$2,000.

Destroy 3 years after final payment. (Close file at the end of the fiscal year, retain 3 years and destroy, except that files on which actions are pending shall be brought forward to the next fiscal years' files for destruction therewith.)

b. Obligation copy.

Destroy when funds are obligated.

c. Other copies of record described above used by component elements of a procurement office for administrative purposes.

Destroy upon termination or completion.

119. Solicited and Unsolicited Bids and Proposals Files.

a. Successful bids and proposals.

Destroy with related contract case files (see item 118 of this schedule.)

b. Solicited and unsolicited unsuccessful bids and proposals.

1. When filed separately from contract case files.

Destroy when related contract is completed.

2. When filed with contract case files.

Destroy with related contract case files (see item 118 of this schedule.)

c. Cancelled Solicitations Files.

1. Formal solicitations of offers to provide products or services (e.g., Invitations for Bids, Requests for Proposals, Requests for Quotations) which were cancelled prior to award of a contract. The files include presolicitation documentation on the requirement, any offers which were opened prior to the cancellation, documentation on any government action up to the time of cancellation, and evidence of the cancellation.

Destroy 5 years after date of cancellation.

2. Unopened Bids.

Return to bidder.

d. Lists or Card Files of Acceptable Bidders.

Destroy when superseded or obsolete.

120. Public Printer Files. Records relating to requisitions on the Printer, and all supporting papers.

a. Printing procurement unit copy of requisition, invoice, specifications, and related papers.

Destroy 3 years after completion or cancellation of requisition.

b. Accounting copy of requisition.

Destroy 3 years after period covered by related account.

Non Record Materials

The Records Disposal Act of 1943, as amended, states that "library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stocks of publications and of processed documents are not included within the definition of the word 'records' as used in this Act." Non-record material is disposed of as soon as its purpose is served. The following list consists of those non-record materials that are unique to the Patent and Trademark Office.

121. *Foreign Patents.* Copies of patents issued by foreign countries.

122. *Translation of Foreign Patents and Publications and Related Indexes.* Typewritten copies of translations and related indexes.

123. *Card Catalogs.* 3"x 5" cards used as finding aids to the library.

124. *Patent Examiner's Search Files.* Reference file used by examiners in processing applications. Arranged by class and subclass and consist of U.S. patents, foreign patents, extracts from publications, and other materials relating to a certain class or subclass.

125. *Printed Trademark Registrations Reference Files.* Digest of Registered marks consisting of a set of registered work marks arranged alphabetically and secondarily by trademark registration number; a set of registrations comprising symbols, arranged according to the classification of the goods or services with which they are used; of registration arranged by registration number.

126. *Numerical Index to Patent Classification.* Arranged numerically by patent number and shows the class and subclass assignment of each patent.

127. *Shelf List of Classified Patents.* Listing of all U.S. Patent numbers comprising, respectively, the "original" and "cross reference" classification of patents according to the official classification of the Patent and Trademark Office.

128. *Public Search Files of U.S. Patents.* Printed or microfilm copies of U.S. Patents arranged in two series: 1) numerically by class and subclass assignment, and secondarily by patent number and 2) numerically by patent number.

129. *Legislative History Files.* Consist mainly of copies of published materials relating to legislation that is of interest to the Patent and Trademark Office. Includes copies of bills, public laws, Federal Register, Congressional Record, and similar materials.

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[1068 TMOG 5]

(278) U.S. DEPARTMENT OF COMMERCE

Office of the Assistant Secretary and Commissioner
of Patents and Trademarks

PUBLIC ADVISORY COMMITTEE FOR TRADEMARK AFFAIRS

Agency: Patent and Trademark Office, Commerce

Action: Notice of Committee Charter Amendment

Summary: In accordance with the provisions of the Federal Advisory Committee Act, 5 U.S.C. App. (1976), and after consultation with GSA, it has been determined that an amendment of the charter of the Public Advisory Committee for Trademark Affairs is in the public interest in connection with the performance of duties imposed on the Department by law. The charter amendment was signed on December 3, 1990.

The charter has been amended as follows to: (1) broaden the topics that the Committee may address to include international trademark law, (2) allow the membership of the Committee to be drawn from a wider range of the trademark community rather than solely from the regular, associate and supplementary membership of the United States Trademark Association (USTA), (3) increase the number of members on the Committee from 15 to 18, (4) provide for the direct selection of the members and appointment of the chairman of the Committee by the Assistant Secretary and Commissioner of Patents and Trademarks rather than by the president of the USTA, and (5) set the term of membership at two years.

For Further Information Contact: Lynne Beresford, Committee Control Officer, Office of the Assistant Commissioner for Trademarks, U.S. Patent and Trademark Office, Washington, D.C.

20231, telephone: (703) 557-7464, or Jan Jivatodi, Committee Management Analyst, U.S. Department of Commerce, Washington, D.C. 20230, telephone: (202) 377-4217.

Supplementary Information: The Committee was first established in September 1970, and the latest charter renewal was signed on April 4, 1990. The charter amendment was approved on December 3, 1990, and provides for the following:

(1) The amendment broadens the objectives and duties of the Committee to specifically embrace international trademark law. The previous charter permitted the Committee to advise the Patent and Trademark Office only on the steps which could be taken to increase the efficiency and effectiveness of the administration of the Trademark Act and to provide a continuing source of knowledge from the private sector to the Government. Given the increased interest within the trademark community and the Patent and Trademark Office in international trademark law, especially in the Madrid Protocol and harmonization, it is desirable that the charter refer explicitly to international trademark law.

(2) Section 5(b)(2) of the Federal Advisory Committee Act requires that the membership of advisory committees be "fairly balanced in terms of the points of view represented...." The amendment furthers that goal by permitting the membership to be drawn from a wide range of the trademark community including users of the public search room, academia, members of the public at large, and the business community.

(3) The amendment increases the number of members on the Committee from 15 to 18. The increase was needed to permit additional members, from different sectors of the trademark community, to be added to the Committee without having to displace any of the current Committee members.

(4) Section 5(b)(2) of the Federal Advisory Committee Act requires that "the membership be fairly balanced in terms of the points of view represented..." The amendment further states that goal by permitting the chairman to be appointed, and the members of the Committee to be selected by the Assistant Secretary and Commissioner of Patents and Trademarks.

(5) The charter of the Public Advisory Committee for Trademark Affairs did not set terms for members. In order to promote more orderly administration of the Committee, the amendment sets the terms of the members at two years. Members will serve at the discretion of the Assistant Secretary and Commissioner of Patents and Trademarks. Appointments, when vacancies occur, shall be for the remainder of the unexpired term.

Jan. 16, 1991

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1123 TMOG 20]

(279) **U.S. Department of Commerce**
Office of the Assistant Secretary and Commissioner
of Patents and Trademarks

Public Advisory Committee for Trademark Affairs

Agency: Patent and Trademark Office, Commerce

Action: Notice of Renewal

Summary: In accordance with the provisions of the Federal Advisory Committee Act, 5 U.S.C. App. (1976), and after consultation with GSA, it has been determined that the renewal of the charter of the Public Advisory Committee for Trademark Affairs is in the public interest in connection with the performance of duties imposed on the Department by law.

Supplementary Information: The Committee was first established in September 1970, and its latest renewal was signed on April 3, 1992. The Committee's purpose is to advise the Patent and Trademark Office concerning steps which can be taken to increase the efficiency and effectiveness of administration of the Trademark Act and to provide a continuing source of knowledge from the private sector to the Government in the area of international and domestic trademark law.

Committee members are drawn from the trademark bar, business and industry, academia, the public at large, and users of the public search room, and are selected by the Assistant Secretary of Commerce and the Commissioner of Patents and Trademarks to assure a balanced representation among members of the trademark community. The Committee will function solely as an advisory body, and in compliance with the provisions of the Federal Advisory Committee Act.

For Further Information Contact: Lynne Beresford, Committee Control Officer, Office of the Assistant Commissioner for Trademarks, U.S. Patent and Trademark Office, Washington, D.C. 20231, telephone: (703) 305-9464, or Jan Jivatodi, Committee Management Analyst, U.S. Department of Commerce, Washington, D.C. 20230, telephone: (202) 377-4299.

April 24, 1992

HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
for Patents and Trademarks*

[1138 TMOG 58]

(280) **Advisory Committee for Patents and**
Trademarks; Establishment

In accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2.) and General Services Administration Interim Rule on Federal Advisory Committee Management, 41 CFR Part 101-6, as amended, and after consultation with GSA, the Secretary of Commerce has determined that the establishment of the Advisory Committee for Patents and Trademarks is in the public interest in connection with the performance of duties imposed on the Department by law.

1. The Committee will advise the Patent and Trademark Office on broad policy issues involving both patents and trade-

marks, and the overall operation of the Office including matters concerning office-wide Automation programs.

2. The Committee will consist of at least 10 but no more than 18 members to be appointed by the Assistant Secretary and Commissioner of Patents and Trademarks to assure a balanced representation among patent and trademark attorneys, corporate executives, technical research directors, inventors, the judiciary, professional patent and trademark searchers, information specialists and publishers, automation experts, consumer groups, entrepreneurs, and educators. The Committee will function solely as an advisory body and in compliance with the provisions of the Federal Advisory Committee Act. Its charter will be filed under the Act, 15 days from the date of the publication of this notice.

Interested persons are invited to submit comments regarding the establishment of the Advisory Committee for Patents and Trademarks. Such comments, as well as any inquiries, may be addressed to the Executive Assistant to the Assistant Secretary and Commissioner of Patents and Trademarks, U.S. Department of Commerce, Washington, D.C. 20231, phone: 703-557-3071, or the Department's Committee Management Analyst, phone: 202-377-4217.

Nov. 14, 1986.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents and
Trademarks.*

[FR Doc. 86-26451 Filed 11-21-86; 8:45 am]
BILLING CODE 3510-16-M

[1073 TMOG 5]

(281) **Performance Review Board**

Agency: Department of Commerce, Patent and Trademark Office

Action: Announcement of Membership of the Patent and Trademark Office Performance Review Board

Summary: In conformance with the Civil Service Reform Act of 1978, 5 U.S.C. 4314 (c) (4), the Patent and Trademark Office announces the appointment of persons to serve as members of its Performance Review Board.

This notice announces the appointment of Assistant Commissioner for Finance and Planning Bradford R. Huth as Chairman. Mr. Huth replaces Douglas B. Comer who currently is Acting Assistant Secretary and Commissioner of Patents and Trademarks. It also announces the retirement of James E. Denny as Assistant Commissioner for Patents.

Address: Comments should be addressed to Personnel Officer, Patent and Trademark Office, Office of Personnel, One Crystal Park, Suite 700, Washington, D.C. 20231

For Further Information Contact: Colleen Woodard at the above address on (703) 305-8062.

Supplementary Information: The new membership of the Patent and Trademark Office Performance Review Board is as follows:

Bradford R. Huth, Chairman
Assistant Commissioner for Finance and Planning
Patent and Trademark Office
Washington, D.C. 20231 Term - permanent

Edward R. Kubasiewicz, Member
Counselor to the Assistant Secretary
and Commissioner of Patents and Trademarks
Patent and Trademark Office
Washington, D.C. 20231 Term - permanent

Jeffrey M. Samuels, Member
Assistant Commissioner for Trademarks
Patent and Trademark Office
Washington, D.C. 20231 Term - permanent

Theresa A. Brelsford, Member
Assistant Commissioner for Public Services
and Administration
Patent and Trademark Office
Washington, D.C. 20231 Term - permanent

Thomas P. Giammo, Member
Assistant Commissioner for Information Systems
Patent and Trademark Office
Washington, D.C. 20231 Term - permanent

John F. Terapane, Jr., Member
Director, Patent Examining Group 120
Patent and Trademark Office
Washington, D.C. 20231
Term - expires Sept. 30, 1994

J. David Sams, Member
Chairman, Trademark Trial and Appeal Board
Patent and Trademark Office
Washington, D.C. 20231
Term- expires Sept. 30, 1994

Dr. Michael G. Hansen, (Outside) Member
Assistant Director, Office of Executive
and Management Development
Human Resources Development Group
Office of Personnel Management
Washington, D.C. 20415
Term - expires Sept. 30, 1994

Aug. 28, 1992

DOUGLAS B. COMER
*Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks*

[1143 TMOG 7]

(282) **Certified Copies of Trademark
Applications/Registrations**

The Trademark Operation is in the process of microfilming its records and, as this proceeds, requests for certified copies of applications and, eventually, registrations, will be furnished from the microfilmed records. Such certified copies will not contain copies of the file jacket.

Jan. 17, 1984.

MARGARET M. LAURENCE,
*Assistant Commissioner
for Trademarks.*

[1039 TMOG 140]

(283) **TABLE OF OFFICIAL GAZETTE
VOLUME NUMBERS: 1872-1990**

A table which relates volume numbers of the Official Gazette comprising collections of weekly issues of that publication to the month of their publication has found good use in the Patent and Trademark Office and Patent Depository Libraries in a variety of applications. The need for such a table arises, in part, from the fact that Official Gazette volumes have not been uniformly numbered on a monthly basis over the 110 year history of that publication. From Jan. 1872 through June 1883, they were numbered on a semi-annual basis; from July 1883 through Dec. 1902, quarterly; from Jan. 1902 through Dec. 1908, bi-monthly; and since Jan. 1909, the volume of issues for each month has been separately numbered. To fulfill the interest which has been expressed in this table, it is published below:

TABLE OF OFFICIAL GAZETTE
VOLUME NUMBERS: 1872-1990

A table which relates volume numbers of the Official Gazette comprising collections of weekly issues of that publication to the month of their publication has found good use in the Patent and Trademark Office and Patent Depository Libraries in a variety of applications. The need for such a table arises, in part, from the fact that

Official Gazette volumes have not been uniformly numbered on a monthly basis over the 110 year history of that publication. From Jan. 1872 through June 1883, they were numbered on a semi-annual basis; from July 1883 through Dec. 1902, quarterly; from Jan. 1902 through Dec. 1908, bi-monthly; and since Jan. 1909, the volume of issues for each month has been separately numbered. To fulfill the interest which has been expressed in this table, it is published below:

Calendar Table of Official Gazette Volume Numbers
Month-by-Month Volume Numbers: Jan. 1872 to Present

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1872*	1	1	1	1	1	1	2	2	2	2	2	2
1873	3	3	3	3	3	3	4	4	4	4	4	4
1874	5	5	5	5	5	5	6	6	6	6	6	6
1875	7	7	7	7	7	7	7	8	8	8	8	8
1876	9	9	9	9	9	9	10	10	10	10	10	10
1877	11	11	11	11	11	11	12	12	12	12	12	12
1878	13	13	13	13	13	13	14	14	14	14	14	14
1879	15	15	15	15	15	15	16	16	16	16	16	16
1880	17	17	17	17	17	17	18	18	18	18	18	18
1881	19	19	19	19	19	19	20	20	20	20	20	20
1882	21	21	21	21	21	21	22	22	22	22	22	22
1883*	23	23	23	23	23	23	24	24	24	25	25	25
1884	26	26	26	27	27	27	28	28	28	29	29	29
1885	30	30	30	31	31	31	32	32	32	33	33	33
1886	34	34	34	35	35	35	36	36	36	37	37	37
1887	38	38	38	39	39	39	40	40	40	41	41	41
1888	42	42	42	43	43	43	44	44	44	45	45	45
1889	46	46	46	47	47	47	48	48	48	49	49	49
1890	50	50	50	51	51	51	52	52	52	53	53	53
1891	54	54	54	55	55	55	56	56	56	57	57	57
1892	58	58	58	59	59	59	60	60	60	61	61	61
1893	62	62	62	63	63	63	64	64	64	65	65	65
1894	66	66	66	67	67	67	68	68	68	69	69	69
1895	70	70	70	71	71	71	72	72	72	73	73	73
1896	74	74	74	75	75	75	76	76	76	77	77	77
1897	78	78	78	79	79	79	80	80	80	81	81	81
1898	82	82	82	83	83	83	84	84	84	85	85	85
1899	86	86	86	87	87	87	88	88	88	89	89	89
1900	90	90	90	91	91	91	92	92	92	93	93	93
1901	94	94	94	95	95	95	96	96	96	97	97	97
1902	98	98	98	99	99	99	100	100	100	101	101	101
1903*	102	102	103	103	104	104	105	105	106	106	107	108
1904	108	108	109	109	110	110	111	111	112	112	113	113
1905	114	114	115	115	116	116	117	117	118	118	119	119
1906	120	120	121	121	122	122	123	123	124	124	125	125
1907	126	126	127	127	128	128	129	129	130	130	131	131
1908	132	132	133	133	134	134	135	135	136	136	137	137
1909*	138	139	140	141	142	143	144	145	146	147	148	149
1910	150	151	152	153	154	155	156	157	158	159	160	161
1911	162	163	164	165	166	167	168	169	170	171	172	173
1912	174	175	176	177	178	179	180	181	182	183	184	185
1913	186	187	188	189	190	191	192	193	194	195	196	197
1914	198	199	200	201	202	203	204	205	206	207	208	209
1915	210	211	212	213	214	215	216	217	218	219	220	221
1916	222	223	224	225	226	227	228	229	230	231	232	233
1917	234	235	236	237	238	239	240	241	242	243	244	245
1918	246	247	248	249	250	251	252	253	254	255	256	257
1919	258	259	260	261	262	263	264	265	266	267	268	269
1920	270	271	272	273	274	275	276	277	278	279	280	281
1921	282	283	284	285	286	287	288	289	290	291	292	293
1922	294	295	296	297	298	299	300	301	302	303	304	305
1923	306	307	308	309	310	311	312	313	314	315	316	317
1924	318	319	320	321	322	323	324	325	326	327	328	329
1925	330	331	332	333	334	335	336	337	338	339	340	341

(Continued on Next Page)

Calendar Table of Official Gazette Volume Numbers
Month-by-Month Volume Numbers Jan. 1872 to Present—Continued

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1926	342	343	344	345	346	347	348	349	350	351	352	353
1927	354	355	356	357	358	359	360	361	362	363	364	365
1928	366	367	368	369	370	371	372	373	374	375	376	377
1929	378	379	380	381	382	383	384	385	386	387	388	389
1930	390	391	392	393	394	395	396	397	398	399	400	401
1931	402	403	404	405	406	407	408	409	410	411	412	413
1932	414	415	416	417	418	419	420	421	422	423	424	425
1933	426	427	428	429	430	431	432	433	434	435	436	437
1934	438	439	440	441	442	443	444	445	446	447	448	449
1935	450	451	452	453	454	455	456	457	458	459	460	461
1936	462	463	464	465	466	467	468	469	470	471	472	473
1937	474	475	476	477	478	479	480	481	482	483	484	485
1938	486	487	488	489	490	491	492	493	494	495	496	497
1939	498	499	500	501	502	503	504	505	506	507	508	509
1940	510	511	512	513	514	515	516	517	518	519	520	521
1941	522	523	524	525	526	527	528	529	530	531	532	533
1942	534	535	536	537	538	539	540	541	542	543	544	545
1943	546	547	548	549	550	551	552	553	554	555	556	557
1944	558	559	560	561	562	563	564	565	566	567	568	569
1945	570	571	572	573	574	575	576	577	578	579	580	581
1946	582	583	584	585	586	587	588	589	590	591	592	593
1947	594	595	596	597	598	599	600	601	602	603	604	605
1948	606	607	608	609	610	611	612	613	614	615	616	617
1949	618	619	620	621	622	623	624	625	626	627	628	629
1950	630	631	632	633	634	635	636	637	638	639	640	641
1951	642	643	644	645	646	647	648	649	650	651	652	653
1952	654	655	656	657	658	659	660	661	662	663	664	665
1953	666	667	668	669	670	671	672	673	674	675	676	677
1954	678	679	680	681	682	683	684	685	686	687	688	689
1955	690	691	692	693	694	695	696	697	698	699	700	701
1956	702	703	704	705	706	707	708	709	710	711	712	713
1957	714	715	716	717	718	719	720	721	722	723	724	725
1958	726	727	728	729	730	731	732	733	734	735	736	737
1959	738	739	740	741	742	743	744	745	746	747	748	749
1960	750	751	752	753	754	755	756	757	758	759	760	761
1961	762	763	764	765	766	767	768	769	770	771	772	773
1962	774	775	776	777	778	779	780	781	782	783	784	785
1963	786	787	788	789	790	791	792	793	794	795	796	797
1964	798	799	800	801	802	803	804	805	806	807	808	809
1965	810	811	812	813	814	815	816	817	818	819	820	821
1966	822	823	824	825	826	827	828	829	830	831	832	833
1967	834	835	836	837	838	839	840	841	842	843	844	845
1968	846	847	848	849	850	851	852	853	854	855	856	857
1969	858	859	860	861	862	863	864	865	866	867	868	869
1970	870	871	872	873	874	875	876	877	878	879	880	881
1971	882	883	884	885	886	887	888	889	890	891	892	893
1972	894	895	896	897	898	899	900	901	902	903	904	905
1973	906	907	908	909	910	911	912	913	914	915	916	917
1974	918	919	920	921	922	923	924	925	926	927	928	929
1975	930	931	932	933	934	935	936	937	938	939	940	941
1976	942	943	944	945	946	947	948	949	950	951	952	953
1977	954	955	956	957	958	959	960	961	962	963	964	965
1978	966	967	968	969	970	971	972	973	974	975	976	977
1979	978	979	980	981	982	983	984	985	986	987	988	989
1980	990	991	992	993	994	995	996	997	998	999	1000	1001
1981	1002	1003	1004	1005	1006	1007	1008	1009	1010	1011	1012	1013
1982	1014	1015	1016	1017	1018	1019	1020	1021	1022	1023	1024	1025
1983	1026	1027	1028	1029	1030	1031	1032	1033	1034	1035	1036	1037
1984	1038	1039	1040	1041	1042	1043	1044	1045	1046	1047	1048	1049
1985	1050	1051	1052	1053	1054	1055	1056	1057	1058	1059	1060	1061
1986	1062	1063	1064	1065	1066	1067	1068	1069	1070	1071	1072	1073
1987	1074	1075	1076	1077	1078	1079	1080	1081	1082	1083	1084	1085
1988	1086	1087	1088	1089	1090	1091	1092	1093	1094	1095	1096	1097
1989	1098	1099	1100	1101	1102	1103	1104	1105	1106	1107	1108	1109
1990	1110	1111	1112	1113	1114	1115	1116	1117	1118	1119	1120	1121

* SUMMARY OF CHANGES IN VOLUME NUMBER-
ING

Semi-annual: Jan. 1872 through Jun. 1883
Quarterly: Jul. 1883 through Dec. 1902
Bi-monthly: Jan. 1903 through Dec. 1908
Monthly: Jan. 1909 to the present

The Official Gazette was published on successive Wednesdays from 3 Jan. 1872 through 17 Jan. 1872. From 23 Jan. 1872 to the present, it has been published weekly on Tuesday.

(284)

Change in Legal Holidays*and Trademarks.*

The Commissioner's Notice of Sept. 25, 1979, "Change in Legal Holidays," is hereby rescinded in view of Public Law 98-144, enacted Nov. 2, 1983, which amended the listing of legal public holidays in 5 USC § 6103. That amendment took effect in 1986 and added a new legal holiday relating to the birthday of Martin Luther King, Jr. This new holiday is designated for the third Mon. in Jan.

[1069 TMOG 5]

(285)

Filing of Papers During Unscheduled Closings of the Patent and Trademark Office

When the Patent and Trademark Office is officially closed by Executive Order of the President or by the Office of Personnel Management for an entire day because of some unscheduled event, such as adverse weather conditions, the Patent and Trademark Office will consider that day as a "federal holiday within the District of Columbia" under 35 U.S.C. § 21. Any action or fee due that day will be considered as timely for the purposes of, e.g., 35 U.S.C. §§ 119, 133 and 151, if the action is taken, or fee paid, on the next succeeding business day on which the Patent and Trademark Office is open. When the Patent and Trademark Office is open for business during any part of a business day between 8:30 a.m. and 5:00 p.m., papers are due on that day even though the Office may be officially closed for some period of time during the business day because of an unscheduled event. The procedures of 37 CFR 1.8 or 1.10 may be used, as appropriate, for the filing of papers. On any day the Office is open for at least part of the day, papers may also be deposited up to midnight in any boxes which are provided by the Patent and Trademark Office under 37 CFR 1.6(c).

Feb. 11, 1987.

DONALD W. PETERSON,
*Acting Assistant Secretary
and Commissioner of Patents
and Trademarks.*

[1076 TMOG 6]

July 15, 1986.

DONALD J. QUIGG,
*Assistant Secretary and
Commissioner of Patents*

SPECIAL GRANT COVERS COMMEMORATING THE
BICENTENNIAL OF THE UNITED STATES CONSTITUTION

The Patent and Trademark Office will use special grant covers depicting a United States Constitution motif on patents issued and trademarks registered beginning June 2, 1987, and continuing through the last seven months of 1987.

The patent covers will be printed in black and blue on off-white paper with a shadow print of the U.S. Constitution document, sealed with a red ribbon and gold seal.

The trademark certificate of registration on the Principal Register covers will be printed in black on off-white paper with a gold eagle and gold seal, and with a shadow print of the U.S. Constitution document. The trademark certificate of registration on the Supplemental Register will be printed in black on yellow paper with a red eagle and red seal, and with a shadow print of the U.S. Constitution document. The trademark certificate of renewal will not be changed.

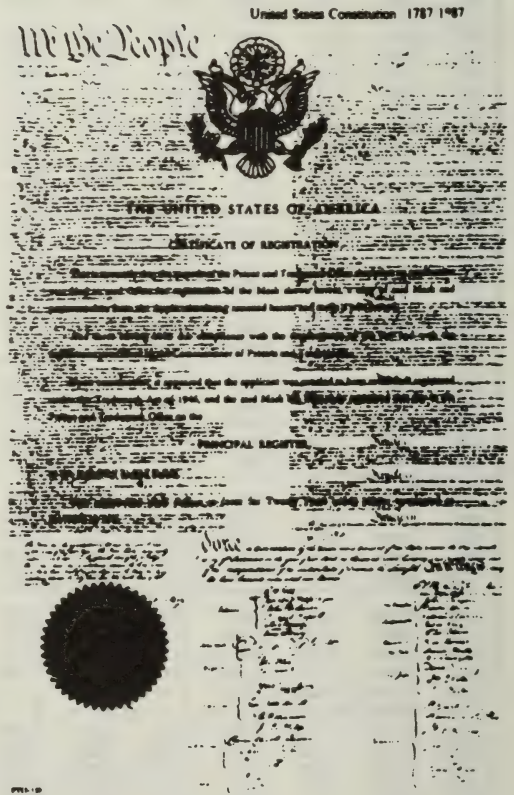
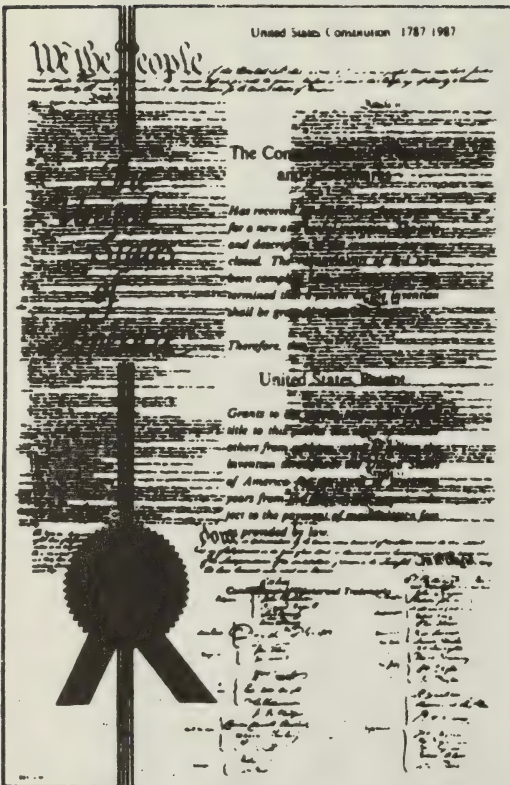
Reduced size samples of these special covers are illustrated below.

May 13, 1987.

DONALD J. QUIGG,
Assistant Secretary and Commission
of Patents and Trademarks.

(patent cover)

(trademark cover)



(287) Notice of Move of Trademark Office and Restructuring of Trademark Examining Operation

6

M. Kurzbard

9 (Computers), 20 (Furniture), 21 (Utensils), 35-42, A, B, 200 (Services)

With the exception of the Office of the Assistant Commissioner for Trademarks, all offices of the Trademark Section of the U.S. Patent and Trademark Office are being moved to buildings known as the South Tower and North Tower, respectively located at 2900 and 2800 Crystal Drive, Arlington, Virginia, 22202. Contemporaneously with the move, the Trademark Examining Operation is being restructured to increase the number of law offices from nine to 13 and to change the distribution of applications, according to class, among the law offices.

The move will provide the Patent and Trademark Office with the space to accommodate the current number of employees devoted to trademark-related tasks and to consolidate at one physical location most of the offices relating to trademarks.

The official address of the office will remain the same. Therefore, applicants and attorneys should continue to address correspondence to the Commissioner of Patents and Trademarks, Washington, D.C. 20231

As indicated by the following chart, the move is scheduled to take place in six phases. The first five phases will each comprise two floors of the South Tower building. The final phase will comprise the move of the Office of Trademark Quality Review to the North Tower building. All moving dates are tentative.

Moving Date	Offices	Location
Mar. 29, 1991	Law Offices 10, 11, 12 7th Floor, South Tower Law Offices 13, 14, 15 8th Floor, South Tower	
Apr. 12, 1991	Assignments, Search Library Law Offices 7, 8, 9	2nd Floor, South Tower 6th Floor, South Tower
Apr. 26, 1991	Law Office 3 Law Offices 4, 5, 6	4th Floor, South Tower 5th Floor, South Tower
May 10, 1991	Pre-Examination, OATPA, Publication and Issue ASI (Printing Contractor)	3rd Floor, South Tower
Tower	Director's Office, Post-Registration, ITU/Divisional Unit, TRAM maintenance	10th Floor, South Tower
May 24, 1991	Trademark Trial and Appeal Board, Library	9th Floor, South Tower
June 1, 1991	Office of Trademark Quality Review	9th Floor, North Tower

Upon restructuring of the Trademark Examining Operation, applications for service marks will be examined in all law offices and applications to register marks for goods in particular classes will be examined in one or more law offices. The following chart lists the new law office numbers and, for each law office, the managing attorney and classes of goods and services to be examined.

Law Office	Managing Attorney	Classes
3	(To Be Announced)	9 (Computers), 20 (Furniture), 21 (Utensils), 35-42, A, B, 200 (Services)
4	(To Be Announced)	9 (Computers), 20 (Furniture), 21 (Utensils), 35-42, A, B, 200 (Services)
5	M. Sparrow	28 (Toys), 16 (Paper), 3 (Cleaners), 35-42, A, B, 200 (Services)

7	(To Be Announced)	4 (Oils), 6 (Metals), 19 (Buildings), 11 (Lighting), 14 (Jewelry), 35-42, A, B, 200 (Services)
8	T. Lamone	28 (Toys), 16 (Paper), 3 (Cleaners), 35-42, A, B, 200 (Services)
9	S. Moskowitz	7 (Machines), 8 (Hand Tools), 12 (Vehicles), 19 (Buildings), 13 (Firearms), 15 (Musical Instruments), 34 (Tobaccos), 35-42, A, B, 200 (Services)
10	J. Logan, Acting	23 (Yarns), 24 (Textiles), 25 (Clothing), 26 (Laces), 22 (Cordage), 27 (Carpets), 35-42, A, B, 200 (Services)
11	T. Howell	5 (Pharmaceuticals), 10 (Surgical), 2 (Paints), 35-42, A, B, 200 (Services)
12	D. Cohn	28 (Toys), 16 (Paper), 3 (Cleaners), 35-42, A, B, 200 (Services)
13	(To Be Announced)	29 (Meats), 30 (Spices), 31 (Grains), 32 (Beverages), 33 (Alcohols), 1 (Chemicals), 35-42, A, B, 200 (Services)
14	R. Williams	29 (Meats), 30 (Spices), 31 (Grains), 32 (Beverages), 33 (Alcohols), 1 (Chemicals), 35-42, A, B, 200 (Services)
15	P. Fahrenkopf	18 (Leather), 17 (Rubber), 25 (Clothing), 35-42, A, B, 200 (Services)

(Note: Creation of Law Offices 1 and 2 is expected to occur within the near future.)

Applications that are assigned to particular examining attorneys will continue to be examined by those attorneys. An intercept will be used to provide new telephone numbers to parties who call numbers that have been changed. New telephone numbers for each organization will be published as soon as possible. Any questions concerning the move or restructuring may be directed to the Office of the Director, Trademark Examining Operation, at (703) 308-0928.

Feb. 19, 1991

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

(288) **New Telephone Numbers for
Patent and Trademark Office Organizations
Located in North and South Tower Buildings**

With the exception of the Office of the Assistant Commissioner for Trademarks, all offices of the trademark section of the U.S. Patent and Trademark Office are relocating to buildings known as the South Tower and North Tower, respectively located at 2900 and 2800 Crystal Drive, Arlington, Va. 22202. New telephone numbers have been assigned to all of the relocated offices, as follows:

SOUTH TOWER BUILDING

ORGANIZATION	FLOOR	TELEPHONE NUMBER
Director, Trademark Examining Operation	10	(703) 308-9000
Law Office 3	4	(703) 308-9103
Law Office 4	5	(703) 308-9104
Law Office 5	5	(703) 308-9105
Law Office 6	5	(703) 308-9106
Law Office 7	6	(703) 308-9107
Law Office 8	6	(703) 308-9108
Law Office 9	6	(703) 308-9109
Law Office 10	7	(703) 308-9110
Law Office 11	7	(703) 308-9111
Law Office 12	7	(703) 308-9112
Law Office 13	8	(703) 308-9113
Law Office 14	8	(703) 308-9114
Law Office 15	8	(703) 308-9115
Trademark Trial and Appeal Board	9	(703) 308-9300
Applications Section; Publication and Issue Section	3	(703) 308-9400
ITU/Divisional Unit; Post-Registration Section; Trademark Services Division	10	(703) 308-9500
Trademark Search Library	2	(703) 308-9800
Trademark Assignment Search Room (for information on obtaining certified copies of trademark assignments)	2	(703) 308-9850
(trademark assignment search information)		(703) 308-9855

NORTH TOWER BUILDING

Office of Trademark Quality Review	9	(703) 308-9600
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Applicants and attorneys should continue to address correspondence to the Commissioner of Patents and Trademarks, Washington, D.C. 20231, as the official address of the Office will remain the same. The telephone number for the Trademark Status Line, (703) 557-8747, is unchanged.

April 17, 1991

JEFFREY M. SAMUELS
Assistant Commissioner
for Trademarks

[1126 TMOG 21]

(289) **Regulations Relating to the Use of Patent and
Trademark Office Records or Search Facilities
and Enforcement Procedures**

Agency: Patent and Trademark Office, Department of Commerce

Action: Notice

Summary: The Patent and Trademark Office is revising its regulations relating to use of Patent and Trademark Office records or search facilities and procedures for enforcing these regulations. These regulations and their enforcement are necessary to promote an atmosphere conducive to research and to maintain the integrity of the files and records in the Patent and Trademark Office.

Effective Date: July 1, 1987

For Further Information Contact: Theresa A. Brelsford, Assistant Commissioner for Administration, Patent and Trademark Office, Washington, D.C. 20231, (703) 557-2290.

Supplementary Information: The procedures will apply to all visitors to the Patent and Trademark Office.

Visitors are reminded that unauthorized removal of government material or property may be prosecuted as a criminal felony under the provisions of 18 U.S.C. 2071, in addition to the imposition of administrative sanctions contained in these procedures.

**Regulations Relating to the Use of Patent and
Trademark Office Records or Search Facilities**

These regulations are established for all persons using the facilities of the Patent and Trademark Office (PTO), and will be appropriately enforced as specified herein.

Smoking within PTO is prohibited except in designated areas (41 CFR 101-20.109-10).

All persons using the facilities of the PTO are subject to regulations governing conduct on property under the charge of the General Services Administration which appear in 41 CFR Subpart 101-20.3 (41 CFR §§ 101-20.300 through 101-20.315).

Packages, briefcases and other personal effects brought into the PTO, as well as storage lockers provided for general use, are subject to search by authorized personnel for reasonable cause under the provisions of 41 CFR 101-20.301.

Unauthorized removal of PTO files, documents, reference materials, or any government property is prohibited. In addition to the administrative sanctions specified in these regulations, violators may also be subject to arrest and prosecution under the provisions of 18 U.S.C. 2071 which carries a possible "fine of \$2,000 or imprisonment for not more than three years, or both", and/or the violator may be subject to discipline under the PTO Code of Professional Responsibility if he or she is a practitioner as defined in 37 CFR 10.1(r).

All persons must comply with posted Official Notices and with verbal requests made by PTO personnel for compliance with these regulations.

1. User Passes

- Individuals visiting any area of the PTO must obtain a valid, non-transferable user pass and wear it visibly displayed at all times while on the premises.
- Permanent User Passes may be obtained from the Manager of the Patent Public Search Room. The first Permanent User Pass is issued at no charge. Permanent User Passes subsequently issued as replacements will be provided at a charge of \$5.00 per Pass. The holder of a Permanent User Pass may be issued one (1) Temporary User Pass, within a ninety (90) day period at no charge. A request for a second Temporary User Pass during the same ninety day period will require the purchase of a Permanent User Pass at the required replacement fee.
- Temporary User Passes may be obtained by visitors at no charge from the managers of the Patent or Trademark Public Search Rooms and are valid through the expiration date stamped thereon.

- d. Permanent and Temporary User Passes must be surrendered to the PTO upon request for cause.

2. Use of Search Areas

- a. The Patent and Trademark Office facilities may be used by visitors only during the hours specified, Monday through Friday, and are closed to the public on Saturdays, Sundays and Legal Holidays:

Patent Public Search Rm., Mezzanine and Microfilm Center	8:00 a.m.—8:00 p.m.*
Trademark Public Search Rm., Assignment Search Rm., Pub- lic Service Center, and Sci- entific Library	8:00 a.m.—5:30 p.m.*
Patent Examining Organiza- tions, Trademark Examining Law Offices and all other public access areas of the PTO	8:30 a.m.—5:00 p.m.*
	8:30 a.m.—5:00 p.m.*

* Clearing of these areas would begin prior to this time to ensure all visitors are out of the building by the time designated.

- b. Materials available for search purposes in the Patent and Assignment Search Rooms and patent application file histories shall not be removed from those areas.
- c. Trademark registrations in the Trademark Search Library shall not be removed from the secured bundles in the registered file. Photocopying from bound volumes of trademarks is prohibited.
- d. Trademark files shall not be removed from PTO space in Crystal Plz. Bldg. 2.
- e. Use of Patent Examining Group search areas is strictly limited to searching materials unavailable in the Patent Public Search Room or the Scientific Library. Examining Group search areas may be used only when such use does not conflict with the regular business of the organization.
- f. Visitors to a Patent Examining Group Search Area must register with the designated Group Search Area representative indicating the times entering and leaving the area, User Pass number, and the class(es) and subclass(es) to be searched.
- g. Documents removed from the files of Patent Examining Group search areas must be immediately returned to their proper location after use. Documents shall not be removed from the area in which they were obtained without specific written authorization from a Group Director or Supervisory Patent Examiner in the Examining Group where the material(s) reside. Such authorization will not be given for U.S. Patents and other material readily available through the Scientific Library.

3. PROHIBITIONS

The following are prohibited:

- Conduct which is rude or abusive to PTO employees or others.
- Smoking and consumption of food or beverages in other than designated areas.
- Loud talking or any conduct which may be disruptive to others.
- Use of radios, televisions, typewriters, photographic equipment, dictation equipment and other mechanical, electrical or electronic items without specific authorization from an Assistant Commissioner of the PTO.
- Improper use, mutilation, destruction or unauthorized removal of PTO records, documents or government property.
- Reserving seats or work areas.
- Affixing messages to walls, telephone booths or other government property, except designated message boards.
- Use of the PTO as a mailing address, use of PTO stationery, and use of PTO emblem or seal.
- Use of PTO telephones and other office equipment,

such as copiers, etc., except where specifically provided for public use. This includes the use of PTO telephones to receive incoming calls.

- Use of any computer terminal other than the TRAM terminals provided for public use in the Trademark Search Library, and the CASPIR and FOUR-PHASE terminals (or CASSIS terminal if the FOUR-PHASE terminals are not operating) provided in the Patent Public Search Room for public use.
- Placing PTO files or documents, government property or government owned reference materials in rental storage lockers.
- Use of rental storage lockers without depositing the required fee or holding the key to a storage locker beyond the specified maximum period of use.

[1079 TMOG 7]

(290) Procedures for Enforcement of the Regulations Relating to the Use of Patent and Trademark Office Records or Search Facilities

Under applicable statutes and regulations, including 40 U.S.C. 486(c), 41 CFR 101-20.3, and appropriate sections of Department Organization Orders 10-14 and 30-3 of the Department of Commerce, the procedures appearing below are established.

1. Violations involving unauthorized removal of PTO files, documents, records or government property.

- Each observed or reported violation will be investigated.
- Persons found in possession of PTO material or government property, other than in areas or under circumstances where possession is specifically authorized, shall be required to immediately surrender the material or property and if appropriate, their User Pass. An oral explanation for the possession of such material or property will be requested by the PTO.
- Each incident involving unauthorized possession of PTO material or government property shall be immediately reported by telephone or in person to the Office or Group Director of the area from which the material or property was taken.
- If it appears to the Office or Group Director that possession of the materials was inadvertent or otherwise unintentional, no further action will be taken. The materials will be replaced appropriately and the person's User Pass will be returned.
- If it appears to the Office or Group Director that possession of the materials was intentional, all persons involved shall be required to submit written statements detailing the circumstances and, in the case of a PTO User/visitor, show cause why the User Pass and visitor privileges should not be suspended or revoked. Statements will also be obtained from other witnesses where appropriate. The material or property shall be secured for possible use as evidence by the Office or Group Director, if appropriate.
- If the involved person possesses a Permanent User Pass, it shall be retained and forwarded with the written statements to the Assistant Commissioner for Administration. A Temporary User Pass may be issued as replacement by the Assistant Commissioner for Administration, pending action on an alleged violation.
- If the involved person possesses only a Temporary User Pass it shall be retained and forwarded with the written statements to the Assistant Commissioner for Administration within two weeks of the incident. No replacement will be provided pending action by the Assistant Commissioner for Administration.

2. Other violations of public use regulations.

- Each observed or reported violation will be investigated. The persons involved shall be informed of the nature of the violation and requested to comply with regulations.

- b. If it appears that the violation was inadvertent or otherwise unintentional and the involved person immediately conforms to the regulations, no further action will be taken.
- c. If the violation appears to be intentional or if the person involved refuses to comply with a verbal request from a PTO employee or continues to violate the regulations after being requested to comply, the person shall be required to surrender his or her User Pass to the PTO. A written report of each violation and the User Pass will be submitted to the Assistant Commissioner for Administration for a final decision. User Pass replacement procedures shall be as specified in paragraphs 1.f. or 1.g.
- d. If the Assistant Commissioner for Administration determines that a reported violation was inadvertent or otherwise not intentional, the User Pass will be returned and no further action will be taken. In all other cases, the Assistant Commissioner for Administration will request the person involved to show cause in writing why his or her User Pass and visitor privileges should not be suspended or revoked.
- e. A written decision will be rendered by the Assistant Commissioner for Administration after consideration of any timely submitted response.
- f. In the case of a written decision by the Assistant Commissioner for Administration adverse to a practitioner as defined by 37 CFR 10.1(r), a copy of the written decision will be forwarded to the Director of the Office of Enrollment and Discipline for whatever further action, including sanctions, as may be appropriate under the PTO Code of Professional Responsibility.

3. Factors to be Considered in Assessing Penalties.

- a. Penalties will be determined on a case by case basis.
- b. Prior violations of regulations will be considered when assessing whether any violation is willful, deliberate or intentional, and when determining the penalty to be imposed.
- c. Penalties may be assessed as follows, depending on circumstances:
 - (1) For a first offense: from a written warning to a 30 day suspension of the User Pass and visitor privileges.
 - (2) For a second offense: a suspension of the User Pass and visitor privileges from 5 days to one year.
 - (3) For a third or subsequent offense: from a suspension of 30 days to permanent revocation of the User Pass and visitor privileges.
 - (4) For any single serious or aggravated violation: suspension of the User Pass and visitor privileges for up to one year or permanent revocation of the User Pass and visitor privileges. A serious or aggravated violation is defined as *any instance involving multiple violations of regulations during a single event or acts which also constitute a violation of Federal or local criminal law.*

4. Record of Penalties Imposed.

A record of penalties imposed for given violations will be maintained by the Assistant Commissioner for Administration. These records will be made available to the public upon request.

5. Use of Public Facilities During Suspension or After Revocation of User Pass.

No individual will be permitted to use the facilities specified in these regulations while his or her User Pass is suspended or revoked.

6. Absence of Assistant Commissioner for Administration.

In the absence of the Assistant Commissioner for Administration, the Deputy Assistant Commissioner for Administration will carry out the responsibilities assigned by these regulations.

7. Absence of Designated PTO Officials.

In the absence of any Designated PTO Official, a Deputy or Acting Official will carry out the responsibilities assigned by these regulations.

8. Assistance.

PTO employees may, when necessary, request the Security Officer of the Patent and Trademark Office or the Federal Protective Service or their contractors to provide assistance in carrying out their assigned responsibilities in paragraphs 1. and 2.

9. Appeals.

Decisions rendered by the Assistant Commissioner for Administration may be reviewed on petition to the Commissioner.

May 11, 1987.

Theresa A. Brelsford,
Assistant Commissioner
for Administration.

[1079 TMOG 8]

(291) Rules Concerning Conduct on Patent and Trademark Premises

1. Applicability

These rules apply to all premises under the charge and control of the U.S. Patent and Trademark Office (PTO) through the General Services Administration and to all persons entering such premises.

2. Admission to Property

Patent and Trademark Office facilities are closed to the public outside of normal working hours. During normal working hours, a valid User Pass is required to enter PTO premises.

The individual's User Pass must be displayed at all times while on PTO premises.

3. Preservation of Property/Conduct on PTO Premises

The following activities are prohibited on PTO premises:

- a. Improperly disposing of rubbish; willfully destroying or damaging property; theft of property; creating a hazard to persons or things; and placing Government documents or materials in storage lockers.
- b. The willfull and unlawfull concealment, removal, mutilation, obliteration or destruction, or attempts to do so, or, with intent to do so, or taking and carrying away of any record, book, paper, document, or other things from the facilities shall result in a fine of not more than \$2,000 or imprisonment of not more than 3 years, or both. *See* 18 U.S.C. § 2071.
- c. Removal of papers, materials, or other Government property from designated areas. Within a designated area, papers or other Government property must be returned to its proper location after use, unless otherwise posted.
- d. Using PTO premises and facilities as a place of business. It is prohibited to reserve work areas, use PTO as a mailing address, use PTO stationery, or a PTO telephone number as a personal telephone number.

4. Inspection

Packages, briefcases, storage lockers and other containers in the possession of visitors, employees, or other persons arriving at, working at, visiting, or departing from the PTO are subject to inspection. *See* 41 CFR § 101-20.301.

5. Disturbances

Disorderly conduct or other conduct which creates a loud or unusual noise or a nuisance which impedes or disrupts the performance of official duties by Government employees or which prevents the public from obtaining the administrative services provided on the property in a timely manner is prohibited. *See* 41 CFR § 101-20.305.

6. Conformity with signs and directions

Persons on the PTO premises shall at all times comply with the official signs of a prohibitory, regulatory or directory nature and with the lawful direction of PTO employees.

No rude or abusive conduct to PTO employees and fellow users.

No food or beverages are permitted.

No smoking except in designated areas.

No mechanical or electronic equipment such as radios, televisions, typewriters, computers, or photographic equipment may be used without prior permission from the Assistant Commissioner for Administration.

No use of PTO telephone and office equipment, except as specifically designated for public use.

7. Penalties and other laws.

Nothing in these rules shall be construed to abrogate any other Federal laws or regulations or any State and local laws and regulations applicable to any area in which property under the charge and control of the PTO through the U.S. General Services Administration is situated. See 40 U.S.C. §§ 318(c) and 486(c).

41 CFR § 101-20.315 provides that whoever is found guilty of violating the rules of conduct on Federal property contained in 41 CFR § 101-20.3 while on any property under the charge and control of the U.S. General Services Administration is subject to a fine of not more than \$50, imprisonment of not more than 30 days, or both. See 40 U.S.C. § 318c.

Failure to follow these rules may result in immediate removal from the premises, suspension of user privileges, and/or enforcement of any criminal sanctions that may apply.

Aug. 30, 1991

THERSA A. BRELSFORD
Assistant Commissioner for
Administration

[1131 TMOG 7]

(292) Interlocutory Decisions by the Trademark Trial and Appeal Board

Only final decisions of the Trademark Trial and Appeal Board are subject to judicial review. Some confusion may exist in *inter partes* trademark proceedings as to whether certain decisions of the Board are "final" for purpose of judicial review.

An example where confusion may arise is a case in which (1) an opposition is filed, (2) applicant counterclaims for cancellation of a registration relied upon by an opposer, and (3) the Board renders a decision (generally on summary judgment) on the opposition, but sets the counterclaim for trial. Under these circumstances, there is no final order of the Board, because a decision has not been entered on the counterclaim.

The party losing the opposition may feel compelled to seek judicial review within two months of the Board's decision to "preserve" its rights. But such an appeal appears to be premature under *Copeland's Enterprises, Inc. v. CNV, Inc.* 887 F.2d 1065, 12 USPQ2d 1563 (Fed. Cir. 1989) (in banc). *Copeland's* is not the only appeal which has been dismissed because it was taken from an interlocutory decision of the Board. See *Cortex Corporation v. W.L. Gore & Associates, Inc.*, No. 91-1016 (Fed. Cir. January 14, 1991)(unpublished), and *Kellogg Co. v. Pack'em Enterprises, Inc.*, No. 90-1336 (Fed. Cir. Sept. 27, 1990)(unpublished).

In an effort to (1) minimize disruption in proceeding pending before the Board, (2) eliminate unnecessary appeals and filing of civil actions, only to have the appeal or civil action dismissed as premature, and (3) provide some certainty to parties and their attorneys as to when an appeal is timely, the Board will, when resolving a merits issue prior to final judgement, generally indicate that it has entered an "interlocutory" order in the

proceeding and further set the time for seeking judicial review of the "interlocutory" order to expire two months from the date a final order is entered in the proceeding.

Jan. 22, 1991

HARRY F. MANBECK, Jr.
Assistant Secretary and Commissioner
of Patents and Trademarks

[1123 TMOG 36]

(293)

Patent and Trademark Office
37 CFR Part 2
[Docket No. 910364-1196]
[RIN: 0651-AA47]

Amendment to Interrogatory Practices

Agency: Patent and Trademark Office, Commerce.

Action: Final Rule.

Summary: The Patent and Trademark Office (PTO) is amending § 2.120(d)(1) of the rules of practice in trademark cases, which limits the total number of interrogatories that may be served by one party upon another in a trademark interference, concurrent use, opposition, or cancellation proceeding. The amendment shifts, from the responding party to the inquiring party, the burden of filing a motion to determine whether an assertion of an excessive number of interrogatories is well taken; and clarifies the paragraph.

Effective Date: Nov. 12, 1991. The amendment shall be applicable to all inter partes proceedings pending before the Trademark Trial and Appeal Board on or after the effective date.

For Further Information Contact: Janet E. Rice by telephone at (703) 308-9300 or by mail marked to her attention and addressed to Box 5, Trademark Trial and Appeal Board, Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Supplementary Information: In a notice of proposed rulemaking published in the *Federal Register* on March 7, 1989, at 54 FR 9514, and in the Patent and Trademark Office *Official Gazette* of Mar. 28, 1989, at 1100 TMOG 137, the PTO proposed amendments to a number of the rules of practice in trademark cases. One of the proposed amendments pertained to § 2.120(d), which then consisted of a single paragraph relating to document production. It was proposed that the section be amended to include a new paragraph (designated "(1)" limiting the number of interrogatories that might be served by one party upon another in a trademark interference, concurrent use, opposition, or cancellation proceeding.

In response to the notice of proposed rulemaking the PTO received numerous written comments pertaining to proposed § 2.120(d)(1). One individual commented that a party served with excessive interrogatories might make its own count of the questions, answer as many as were allowed under the proposed rule, and not answer the remainder on the ground that supernumerary questions were not authorized. To remedy this problem, the individual suggested that if the proposed rule were adopted, it might be advisable to add "a provision prescribing that relief for an excessive number of interrogatories is a protective order rather than an incomplete response to the interrogatories."

This suggestion, among others, was adopted in the final rule notice published in the *Federal Register* on Aug. 22, 1989, at 54 FR 34886, and in the Patent and Trademark Office *Official Gazette* of Sept. 12, 1989, at 1106 TMOG 26. Thus, final § 2.120(d)(1) included, as its last sentence, the following provision: "If a party upon which interrogatories have been served believes that the number of interrogatories served exceeds the limitation specified in this paragraph, and is not willing to waive this basis for objection, the party shall, within the time for (and instead of) serving answers and objections to the interrogatories, file a motion for a protective order, accompanied by a copy of the interrogatories which together are said to exceed the limitation."

In addition, the final rule notice indicated that the PTO would monitor the impact of § 2.120(d)(1) carefully and further amend the rule if necessary.

The effective date of the rule amendments specified in the final rule notice was Nov. 16, 1989. Since that time, many attorneys have expressed the opinion, in public meetings relating to trademarks, that it is unfair for a party served with excessive interrogatories to have the burden of filing a motion for a protective order. These attorneys have suggested that the better

practice would be to allow the responding party simply to object to the interrogatories on the ground of their excessive number, and leave the propounding party with the burden of filing a motion to compel, if it believes that the objection is not well taken.

Accordingly, in a notice of proposed rulemaking published in the *Federal Register* on April 15, 1991, at 56 FR 15059, and in the Patent and Trademark Office *Official Gazette* of May 21, 1991, at 1126 TMOG 40, § 2.120(d)(1) was proposed to be revised to substitute a motion to compel for the motion for a protective order.

Written comments were submitted by one firm and ten individuals, three of whom stated their complete approval of the proposed amendment. In addition, the relevant committee of one organization, and the relevant subcommittee of another organization, submitted letters expressing their complete approval of the proposed amendment.

Discussion of Specific Section Being Changed:

In this discussion, "Trademark Trial and Appeal Board" is abbreviated as "Board."

Section 2.120(d)(1) now provides that the total number of written interrogatories which a party may serve upon another party pursuant to Rule 33 of the Federal Rules of Civil Procedure, in a proceeding, shall not exceed seventy-five, counting subparts, except that the Board, in its discretion, may allow additional interrogatories upon motion therefor showing good cause, or upon stipulation of the parties. A motion for leave to serve additional interrogatories must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served. If a party upon which interrogatories have been served believes that the number of interrogatories served exceeds the limitation specified in the paragraph, and is not willing to waive this basis for objection, the party shall, within the time for (and instead of) serving answers and objections to the interrogatories, file a motion for a protective order, accompanied by a copy of the interrogatories which together are said to exceed the limitation.

The paragraph is being revised to provide instead that if a party upon which interrogatories have been served believes that the number of interrogatories served exceeds the limitation specified in the paragraph, and is not willing to waive this basis for objection, the party shall, within the time for (and instead of) serving answers and specific objections to the interrogatories, serve a general objection on the ground of their excessive number.

The paragraph is being further revised to add a requirement that if a party serving the interrogatories, in turn, files a motion to compel discovery, the motion must be accompanied by a copy of the set(s) of interrogatories which together are said to exceed the limitation, and must otherwise comply with the requirements of paragraph (e) of the section. Paragraph (e) governs motions to compel discovery in inter partes proceedings before the Board, and requires, inter alia, that a motion to compel be supported by a written statement from the moving party that such party or its attorney has made a good faith effort, by conference or correspondence, to resolve with the other party or the attorney therefor the issues presented in the motion and has been unable to reach agreement.

The final paragraph includes one revision that was not included in the proposed paragraph. The present paragraph provides, in part, that "A motion for leave to serve additional interrogatories must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories *proposed to be served*" (emphasis added). Thus, the paragraph clearly contemplates, but does not explicitly state, that a motion for leave to serve additional interrogatories must be filed prior to the service of the additional interrogatories. As the result of a written comment filed in response to the notice of proposed rulemaking (see "Response to Comments on the Rule"), and in order to further clarify the paragraph, the foregoing sentence is being revised to read, "A motion for leave to serve additional interrogatories *must be filed and granted prior to the service of the proposed additional interrogatories*; and must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served" (emphasis added).

Response to Comments on the Rule

Comment: Three individuals and the firm objected to the proposed amendment of § 2.120(d)(1).

Two of these individuals asserted their belief that the proposed rule would provide responding parties with a vehicle for abuse and delay. In particular, one of the individuals commented that under the proposed rule, a party served with interrogatories believed to be excessive would be able to assert a general objection thereto, thus delaying its responses to the interrogatories until the propounding party made its required attempt to resolve the matter in good faith; that a party asserting a general objection based on excessive number would not only get to shift the burden of going forward to the propounding party, but also would be able, as a matter of course, to engage in dilatory conduct; and that the party which "wishes to deviate from the norm (i.e., to object to responding to the interrogatories) should be the party to undertake the burden." In the same vein, the second individual asserted that under the proposed rule, a responding party served with interrogatories even remotely close to 75 would merely object to them on the basis of their number; that the objection would cost the responding party nothing and result in none of the interrogatories being answered; that the responding party could delay making its objection until the last day of the 30- or 45-day period for serving a response to the interrogatories; and that if a motion to compel was filed, the propounding party would have to bear the cost thereof, and there would be further delay while the Board considered the motion.

The firm commented that the proposed rule "would almost assuredly result in the need to seek the intervention of the Board in close cases or in cases where insufficient time remains for serving further interrogatories because of the close of discovery." The firm expressed its belief that the proposed rule would result in delay, "avoidable encroachments upon the Board's attention and time, additional expense to the parties and the USPTO and the introduction of further uncertainties relating to the timing of testimony periods. . ."

The third individual commented that the proposed rule seems to contemplate repetitive motions to compel. Specifically, the individual expressed his belief that a motion to compel filed in response to a blanket objection based on excessive number "would seem to require an order either (1) restricting the number of interrogatories or (2) requiring answers and objections to be served;" and that to the extent that specific objections, or insufficient answers, were then served, there might be need for a further motion to compel. This individual suggested that a party served with an excessive number of interrogatories should be required to serve answers or specific objections to the first 75 of them, but should be permitted to assert a blanket objection, on the basis of excessive number, to the remainder.

Response: while there is a possibility that the proposed rule may be used by responding parties as a vehicle for abuse and delay, the present rule provides a similar vehicle for propounding parties. That is, if a propounding party serves an excessive number of interrogatories, the responding party must either serve answers and specific objections, even though the interrogatories are excessive in number, or be put to the trouble and expense of filing a motion for a protective order. In essence, both the present rule, and the proposed rule, require the filing of a motion to determine whether an assertion of an excessive number of interrogatories is well taken; the two rules differ in that the present rule places the burden of filing the motion on the responding party, while the proposed rule would place that burden on the propounding party. In addition, the proposed rule does involve some extra delay, since it provides for an intervening blanket objection on the ground of excessive number prior to the filing of the motion to determine whether the assertion of excessive number is well taken. Nevertheless, it appears that the fairer, and preferable, practice is that embodied in the proposed rule. Moreover, a propounding party may avoid the problems envisioned in the comments by fashioning its interrogatories in such a manner that they clearly do not exceed the numerical limitation of § 2.120(d)(1).

It is true that, under the proposed rule, two motions to compel may be necessary. However, two motions may also be necessary under the present rule, namely, the motion for a protective order, and, after that motion has been determined and answers and specific objections have eventually been served (either to the original interrogatories, if the Board finds that they are not

excessive, or to reformulated interrogatories not exceeding the limitation), a motion to compel, if the propounding party is dissatisfied with the answers and/or specific objections. Again, the essential difference between the two rules is that under the present rule, the burden of filing the initial motion lies with the responding party, while under the proposed rule, that burden would lie with the propounding party.

The suggestion that a responding party, served with what it believes to be an excessive number of interrogatories, be required to serve answers or specific objections to the first 75 of them, but be permitted to assert a blanket objection, on the basis of excessive number, to the remainder, has not been adopted. Such an approach would simply open up a new area for dispute, that is, a dispute as to whether the responding party has, in fact, answered the first 75 (rather than only the first 74, or whatever). Further, this type of approach might encourage propounding parties to routinely serve an excessive number of interrogatories, in the belief that the responding party may answer all of them, and at least will answer the first 75. Finally, it is believed that the purposes of discovery are better served if a party which has propounded excessive interrogatories is allowed an opportunity to serve reformulated interrogatories not exceeding the limitation, so that the propounding party may, in effect, decide which of the interrogatories, within the numerical limitation, it most wants to have answered.

Comment: One individual expressed approval of the proposed amendment to the rule but suggested a further amendment. The individual commented that the practice under the current rule is that if a party serves more than 75 interrogatories, and the responding party files a motion for a protective order, the propounding party "no longer is permitted to file a motion for leave to file more than 75 interrogatories." The individual suggested that the rule be further amended to explicitly so provide, in order to discourage propounding parties which have served assertedly excessive interrogatories from coupling their motion to compel with a motion for leave to serve additional interrogatories.

Response: The present rule provides, in part, that a motion for leave to serve additional interrogatories must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served. It is clear therefrom that a motion for leave to serve additional interrogatories is to be filed prior to service of the additional interrogatories, not after the fact, and the Board has so held in a number of cases, declining to entertain such a motion when the motion is filed in response to a motion for a protective order. See *Chicago Corp. v. North American Chicago Corp.*, 16 USPQ2d 1479 (TTAB 1990); *Baron Phillippe De Rothschild S.A. v. S. Rothschild & Co. Inc.*, 16 USPQ2d 1466 (TTAB 1990); *Towers, Perrin, Forster & Crosby Inc. v. Circle Consulting Group Inc.*, 16 USPQ2d 1398 (TTAB 1990); and *Brown of California Inc. v. Bonnie Sportswear Ltd.*, 15 USPQ2d 1572 (TTAB 1990).

However, in order to further clarify the rule, the suggestion has been adopted to the extent that the portion of the paragraph which presently reads, "A motion for leave to serve additional interrogatories must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served.", is being revised to read, "A motion for leave to serve additional interrogatories must be filed and granted prior to the service of the proposed additional interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served."

Comment: One individual expressed approval of the proposed rule. However, the individual commented that there might be a problem in those cases where a blanket objection on the basis of excessive number is not asserted until after the discovery period has closed; that in those cases, if the propounding party, in response to the objection, voluntarily serves revised interrogatories (rather than filing a motion to compel), the responding party may object to them as untimely, with the result that a motion to compel may be filed. The individual suggested that "to avoid this result, it may be helpful if there is discussion, but not necessarily within the rule, explaining that the service of revised interrogatories, within the scope of the first set, is acceptable."

Response: When a party which has not previously used up its allotted 75 interrogatories serves a set of interrogatories which

are excessive in number, and the responding party, in turn, raises the issue of their excessiveness in the manner prescribed in § 2.120(d)(1), it is the practice of the Board to allow the propounding party an opportunity to serve a revised set of interrogatories not exceeding the numerical limitation. See *Pytttronic Industries Inc. v. Terk Technologies Corp.*, 16 USPQ2d 2055 (TTAB 1990); *Kellogg Co. v. Nugget Distributors' Cooperative of America Inc.*, 16 USPQ2d 1468 (TTAB 1990); *Baron Phillippe De Rothschild*, *supra*; *Towers, Perrin*, *supra*; and *Brown of California*, *supra*. This is so even if the discovery period has closed, since the revised set of interrogatories serves as a substitute for the excessive (but timely) set. However, if the revised set of interrogatories is not served until after the close of the discovery period, the scope of the interrogatories included therein may not exceed that of the original interrogatories, that is, the revised set of interrogatories may not request information not sought in the original interrogatories. See *Kellogg Co.*, *supra*. Litigants before the Board are strongly encouraged to follow a similar practice voluntarily, without resort to the Board.

The suggestion of the individual has been adopted to the extent that the preceding paragraph explaining the practice of the Board has been included in this final rule notice.

Comment: Two individuals expressed their general approval of the proposed rule, but suggested further modifications thereof. Each of these individuals indicated a preference for the proposed rule, even if not further modified, over the present rule.

One of the individuals stated that a 30-day period for a responding party to serve a blanket objection on the basis of excessive number is too long; that it is a simple objection to write, requiring no supporting statement, let alone argument; and that the proposed 30-day period would thus needlessly delay discovery, and "might impede or prejudice the inquiring party's discovery if the objection were made near the end of the discovery period." The individual suggested that the proposed rule be modified to require that any objection to interrogatories on the basis of excessive number be served within 15 days of the date of service of the interrogatories.

The second individual suggested that a responding party objecting on the basis of an excessive number of interrogatories be required to include in its objection a brief statement explaining how it believes the total number of interrogatories exceeds 75, if the numbered interrogatories and identified parts and subparts do not exceed 75. Then the propounding party should be required, if it files a motion to compel, to explain how its interrogatories are within the limits of the rule. The rule should also provide that the party objecting to the number of interrogatories may, but need not, respond to the motion to compel. The individual noted that if this suggestion were adopted, a response to the motion to compel would be unnecessary because the objection and the motion to compel would present the total picture for the Board's consideration.

Response: The PTO does not believe that the suggested modifications are necessary at this time. However, the PTO will continue to monitor the impact of § 2.120(d)(1) carefully, and will propose further amendments if circumstances warrant.

Other Considerations

The rule change will not have a significant impact on the quality of the human environment or the conservation of energy resources.

The rule change is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et. seq.*), Executive Orders 12291 and 12612, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et. seq.*

The General Counsel of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the rule change will not have a significant adverse economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)). The rule change includes no additional or increased fees Substantive rights to use trademarks are not adversely affected.

The Patent and Trademark Office has determined that this rule change is not a major rule under Executive Order 12291. The annual effect on the economy will be less than \$100 million. There will be no major increase in costs or prices for consumers; individual industries; Federal, state or local government agencies; or geographic regions. There will be no significant adverse effects on competition, employment, investment, productivity,

or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The Office has also determined that this rule change has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

The rule change will not impose any additional burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et. seq.*

List of Subjects in 37 CFR Part 2

Administration practice and procedure, Courts, Lawyers, Trademarks.

For the reasons set forth in the preamble and pursuant to the authority contained in section 41 of the Trademark Act of July 5, 1946, 15 U.S.C. 1123, as amended, 37 CFR part 2 is amended as follows:

PART 2--RULES OF PRACTICE IN TRADEMARK CASES

1. The authority citation for 37 CFR part 2 continues to read as follows:

Authority: 15 U.S.C. 1123; 35 U.S.C. 6, unless otherwise noted.

2. Section 2.120 is amended by revising paragraph (d)(1) to read as follows:

§ 2.120 Discovery.

(d) Interrogatories; request for production.

(1) The total number of written interrogatories which a party may serve upon another party pursuant to Rule 33 of the Federal Rules of Civil Procedure, in a proceeding, shall not exceed seventy-five, counting subparts, except that the Trademark Trial and Appeal Board, in its discretion, may allow additional interrogatories upon motion therefor showing good cause, or upon stipulation of the parties. A motion for leave to serve additional interrogatories must be filed and granted prior to the service of the proposed additional interrogatories and must be accompanied by a copy of the interrogatories, if any, which have already been served by the moving party, and by a copy of the interrogatories proposed to be served. If a party upon which interrogatories have been served believes that the number of interrogatories served exceeds the limitation specified in this paragraph, and is not willing to waive this basis for objection, the party shall, within the time for (and instead of) serving answers and specific objections to the interrogatories, serve a general objection on the ground of their excessive number. If the inquiring party, in turn, files a motion to compel discovery, the motion must be accompanied by a copy of the set(s) of the interrogatories which together are said to exceed the limitation, and must otherwise comply with the requirements of paragraph(e) of this section.

Sept. 5, 1991

HARRY F. MANBECK, JR.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1131 TMOG 54]

(294)

Department of Commerce
Patent and Trademark Office
[Docket No. 920782-2182]

Subject: Review of Patent and Trademark Office Appeal Procedures.

Agency: Patent and Trademark Office, Commerce.

Action: Notice; request for public comments.

Summary: The Commissioner is reviewing the structure and operation of the Board of Patent Appeals and Interferences and the Trademark Trial and Appeal Board. To ensure that any possible changes are considered with full appreciation of the views of the public and the patent and trademark user community, public comments are invited.

Dates: Written comments must be submitted by November 2, 1992; a public hearing will be held on November 4, 1992 at 9:30 a.m. Requests to present oral testimony should be received on or before November 2, 1992.

Addresses: Submit written comments and requests to present oral testimony to Michael K. Kirk, Assistant Commissioner for External Affairs, U.S. Patent and Trademark Office, Box 4, Washington, D.C. 20231. The hearing will be held in Room 912, on the ninth floor of Crystal Park 2, 2121 Crystal Drive, Arlington, Virginia. Written comments and a transcript of the hearing will be available for public inspection in Room 902 of Crystal Park 2, 2121 Crystal Drive, Arlington, Virginia.

For Further Information Contact: Michael K. Kirk, Assistant Commissioner for External Affairs, U.S. Patent and Trademark Office, Box 4, Washington, D.C. 20231. Phone: (703) 305-9300.

Supplementary Information: The public is invited to submit written comments on the matters set forth below. Submissions may include appropriate supporting material where relevant, and must include the name and/or professional affiliation of the submitter.

Background: Suggestions have recently been made to the effect that possible changes in the structure and operation of one of the statutory administrative tribunals (boards) within the PTO, namely, the Board of Patent Appeals and Interferences, may be desirable. Comments are invited in order to facilitate the Commissioner's review of these matters, not only with respect to the Board of Patent Appeals and Interferences but also with respect to the other statutory administrative tribunal, the Trademark Trial and Appeal Board. The following discussion will briefly describe the structure and operation of the boards from a historical perspective and provide some insight as to their present structure and operation.

I. The Board of Patent Appeals and Interferences

A. History

In 1836, Congress created for patent applicants a right of review of adverse patentability decisions entered by the Commissioner of Patents. Act of July 4, 1836, ch. 357, § 7, 5 Stat. 117.

In 1861, Congress restructured the review process by providing for a two level appeal *within* the Patent Office, the first level being an appeal from an examiner's decision twice rejecting the claims in an application to a board of three examiners-in-chief (EICs), and the second level being an appeal from a board's decision to the Commissioner of Patents. Act of March 2, 1861, ch. 88, § 2, 12 Stat. 246; *see also* William C. Robinson, *Law of Patents* Vol. 2, 185-87 (1890).

Congress again, in 1927, changed the system of appealing a Patent Office patentability decision within the Office by eliminating the old board of EICs and substituting therefor a board of appeals consisting of the Commissioner of Patents, the first assistant commissioner, the assistant commissioner, and EICs, to be appointed by the President, with the advice and consent of the Senate. *See* Act of March 2, 1927, ch. 273, § 3, 44 Stat. 1335; *see also In re Weichert*, 370 F. 2d 927, 953, 152 USPQ 247, 267 (CCPA 1967) (Smith, J., dissenting). Congress provided that appeals should be heard by at least three board members, to be designated by the Commissioner. Act of March 2, 1927, ch. 273 § 3, 44 Stat. 1335. In this act, Congress eliminated the right of further appeal to the Commissioner from an adverse board decision. *Id.* This scheme has substantially remained intact until the present.

Pursuant to an act of Congress in 1984, the Board of Appeals was merged with the Board of Patent Interferences to become the sole patent board of the Office, named the Board of Patent Appeals and Interferences (BPAI). Patent Law Amendments Act of 1984, Pub. L. No. 98-622, Title II, § 201(a), 98 Stat. 3386.

B. Present Status

The BPAI is presently comprised of the Commissioner of Patents and Trademarks, the Deputy Commissioner, the Assis-

tant Commissioners appointed under 35 U.S.C. § 3, and EICs. 35 U.S.C. § 7(a). Since 1975, EICs have been appointed, upon the nomination of the Commissioner, by the Secretary of Commerce, 35 U.S.C. § 3(a), and to the competitive service, 35 U.S.C. § 7(a). As of June 1, 1992, there were 45 EICs including the Chairman and Vice Chairman of BPAI.

The Commissioner has the responsibility to superintend and perform all duties required by law respecting the granting and issuing of patents. 35 U.S.C. § 6(a). Those duties include establishing legal policy based on statutory and case law. The Commissioner has shaped legal policy in part through his participation as a member of the patent board of appeals and by designating the panel to consider particular cases.

From October 1, 1979, through April 30, 1992, BPAI issued 53,681 decisions in *ex parte* appeals. During this twelve and one-half year period, the Commissioner designated himself as a member of a panel in fewer than a fraction of a percent of these *ex parte* appeals. Of the ten known appeals in which the Commissioner participated as a member of the panel deciding the appeal, five were consolidated because they involved a common question of law. Also, in two of the ten appeal decisions, there was at least one EIC who was a member of the panel who dissented. In another appeal, an EIC wrote a concurring opinion.

The Commissioner lacks authority to seek judicial review of a decision of BPAI in the courts. The Commissioner can, however, reopen prosecution of an application following a decision of BPAI, either on petition of the applicant or *sua sponte*. 37 CFR § 1.198. Also, an examiner can request reconsideration of an *ex parte* appeal decision. See *In re Schmidt*, 377 F.2d 639, 642, 153 USPQ 640, 642 (CCPA 1967).

C. Performance Requirements

As a result of the transition from Presidential appointment to appointment under the civil service, EICs became subject to performance plan requirements. 5 U.S.C. § 4302. The work of the board, with respect to quality, timeliness and productivity, has an impact on patent pendency and on other aspects of the mission of PTO. It is, therefore, necessary to monitor the performance of the members of BPAI. The current performance appraisal plan for EICs was implemented in 1986. Informal performance requirements had existed previously, but were only applicable to EICs who were not Presidential appointees.

The current plan (applicable to EICs aside from the Chairman and Vice Chairman) includes four "weighted" elements. The elements and their respective weights are set forth below, followed by a brief explanation:

(1) *Performance of judicial duties when serving as the author of a majority decision* (up to 50% of total appraisal). Requirement: prepare timely and well-reasoned decisions in appeals from adverse decisions of examiners and/or in interferences.

(2) *Performance of judicial duties without primary decision-writing responsibility* (40% of total appraisal). Requirement: participate in conferences and hearings, timely and thoroughly review opinions prepared by co-panel members.

(3) *Participation in educational, scholarly and system improvement activities* (10% of total appraisal). Requirement: enhance the legal and technical skills of the EIC, the examiners, and members of the Bar.

(4) *Performance of interlocutory duties in interferences* (up to 50% of total appraisal). Requirement: control and decide interlocutory matters in interferences and other *inter partes* proceedings.

Elements (1) and (4) are weighted to total 50% of an EIC's performance appraisal. If an EIC is not assigned any interlocutory duties by the Chairman or Vice Chairman, that EIC's "weight" in element (4) would be 0%, with the weight in element (1) then being 50%. The weight given to element (1) is reduced from 50% by the amount of responsibility assigned to an EIC under element (4).

One of the factors used to arrive at a rating ("Outstanding," "Commendable," "Fully Successful," "Marginal," or "Unacceptable") for element (1) is the total number of decisions written by an EIC for the fiscal year under consideration. Productivity "ranges" are established for the EIC's by the Commissioner in consultation with the Chairman. The ranges vary according to

the three technology disciplines, *i.e.*, chemical, electrical, and mechanical, and are based upon a five-year historical average of the number of decisions authored by the EICs in the relevant technology disciplines. The ranges for the chemical and electrical disciplines recently have been adjusted in recognition of the increased complexity of cases in these technological fields. EICs may call to the attention of the Chairman or Vice Chairman any mitigating circumstance(s) which might have affected their productivity, such as, cases which are inordinately difficult; require consideration of an unusually large record; or require inordinately extensive legal or technical research.

In addition to productivity, the quality and timeliness of decisions written are also factors included in element (1). In many instances, ratings for EICs have been higher than they would have been if the productivity ranges were the sole criterion in element (1), *i.e.*, if other factors were not taken into consideration.

D. Compensation

The compensation for the EICs (aside from the Chairman and Vice Chairman) is determined pursuant to the Federal Employees Pay Comparability Act of 1990 and guidelines issued by the Department of Commerce. The rate currently ranges from \$86,715 to \$104,000 per annum. The salary may be increased not more than once a year, based on performance. The increase is limited to a maximum of 4%.

In addition to their salary, EICs may be awarded bonuses for their performance. For FY 1991, almost all of the EICs received such bonuses.

For comparison, the pay scale for Group Directors in the examining corps currently ranges from \$90,000 to \$108,300 per annum.

E. Statistics

Some exemplary statistics relating to the caseload of BPAI for the last thirteen years are set forth in the following table:¹

Fiscal Year	EICs ² Ex Partes	Cases Disposed of			Cases Pending at Year End	
		Inter Partes	Ex Parte	Inter Partes	Ex Parte	Inter Partes
1979	31	7	3,944	258	4,589	643
1980	28	7	3,437	301	4,563	588
1981	26	7	3,466	268	4,968	531
1982	26	7	3,693	242	4,781	482
1983	27	7	3,398	242	5,061	420
1984	26	7	3,716	245	5,898	367
1985 ³	28	6	3,692	206	7,018	320
1986	28	7	3,761	184	8,237	302
1987 ⁴	33	7	4,811	152	7,846	329
1988	40	7	5,809	182	6,307	343
1989	41	7	5,595	166	4,542	386
1990	37	7	5,210	222	2,688	347
1991	35	8	4,747	235	1,590	324

II The Trademark Trial and Appeal Board

A. History

Prior to 1958, applicants for the registration of trademarks sought registration in the first instance with a trademark examiner in the Trademark Division of the Patent Office and then, if denied registration, could appeal to the Commissioner of Patents.

In 1958 Congress, for *ex parte* examinations of applications, replaced the right to appeal to the Commissioner an examiner's

¹ Statistics, unless otherwise stated, are taken from the Patent & Trademark Office, U.S. Dep't of Commerce, *Commissioner of Patent and Trademarks Annual Reports*.

² From the records of BPAI.

³ The Board of Appeals and the Board of Patent Interferences were merged on February 8, 1985, to become BPAI.

⁴ First full year in which EICs were subject to a criterion, in their performance appraisal plans, of number of opinions written.

decision refusing registration with the right to appeal to a panel of three members of the "Trademark Trial and Appeal Board" (TTAB). The TTAB was to be comprised of the Commissioner of Patents, the Assistant Commissioners, and appointed Patent Office employees, and panels were to be designated by the Commissioner. H.R. 8826, 72 Stat. 540; 15 U.S.C. § 1067; see also 1958 U.S.C.C.A.N. 3331-37; Jerome Gilson, *Trademark Protection and Practice* § 3.05[1][a], 3-115-16 (1991). For *inter partes* trademark proceedings, i.e. interferences, cancellation and opposition proceedings, Congress established a procedure in which the initial and only decision was made by a panel of three members of TTAB. 1958 U.S.C.C.A.N. 3331-37; 15 U.S.C. § 1067.

B. Present Status

As presently constituted, TTAB is comprised of the Commissioner, the Deputy Commissioner, the Assistant Commissioners appointed under 35 U.S.C. § 3, and additional members appointed by the Commissioner, which members must be competent in trademark law. 15 U.S.C. § 1067. The Commissioner has authority to designate the members of TTAB for each case to be decided. *Id.* As of June 1, 1992, there were nine members of TTAB, including its Chairman.

The relationship between the Commissioner and TTAB and the structure and operation of TTAB are generally similar to the relationship between the Commissioner and BPAI and the structure and operation of BPAI, as set forth above.

C. Performance Requirements

As in the case of members of BPAI, 5 U.S.C. § 4302 mandates yearly performance appraisals for TTAB members. Similarly, too, the work of TTAB, with respect to quality, timeliness and productivity, has an impact on trademark pendency and other aspects of the mission of PTO.

The current performance appraisal plan for TTAB members (aside from the Chairman) includes three "weighted" elements. The elements and their respective weight are set forth below, followed by a brief explanation:

(1) *Performance of duties as lead decision writer in adjudication panels* (65% of total appraisal). Requirement: prepare timely and well-reasoned decisions in cases requiring a final decision from TTAB.

(2) *Performance of duties as a member of adjudicative panels without decision-writing responsibilities* (25% of total appraisal). Requirement: timely and thoroughly review opinions prepared by co-panel TTAB members.

(3) *Participation in educational, scholarly, public assistance, and system improvement activities in the trademark law field* (10% of total appraisal). Requirement: enhance the member's and the Bar's understanding in trademark law and procedure generally.

One of the factors used to arrive at a rating for element (1) is the total number of decisions written by a TTAB member for the fiscal year under consideration. A productivity "range" is established for the members by the Commissioner in consultation with the Chairman. The range is based upon a five-year historical average of the number of decisions authored by the members. Further, any mitigating circumstance(s) brought to the attention of the Chairman are taken into consideration with respect to element (1). Examples include unusually difficult cases, i.e. cases which are more than ordinarily complex, require an unusual amount of research, or involve an extensive evidentiary record.

In addition to productivity, the quality and timeliness of decisions written are also factors included in element (1). In many instances, ratings for members have been higher than they would have been if the productivity range were the sole criterion in element (1) i.e., if other factors were not taken into consideration.

D. Compensation

Appointed members of TTAB are paid pursuant to the Federal Employees Pay Comparability Act of 1990 and guidelines issued by the Department of Commerce. The rate currently ranges

from \$77,080 to \$98,600 per annum. As in the case of the BPAI, the salary may be increased not more than once a year, based on performance, and the increase is limited to a maximum of 4%.

In addition to their salaries, TTAB members may be awarded bonuses for their performance. For FY 1991, almost all of the members received such bonuses.

E. Statistics

Some exemplary statistics relating to the caseload of TTAB for the last thirteen years are set forth in the following table:⁵

Fiscal Year	Number ⁶ On TTAB	Cases Disposed of		Cases Pending at Year End	
		Ex Parte	Inter Partes	Ex Parte	Inter Partes
1979	4	198	1,919	229	2,393
1980	4	226	1,534	193	2,105
1981	5	177	1,417	256	2,688
1982	7	528	1,834	434	2,956
1983	8	990	2,028	353	3,225
1984	8	652	1,822	573	3,764
1985	7	569	2,221	778	4,938
1986	8	791	3,032	728	5,095
1987	8	522	2,784	836	4,670
1988	8	484	3,119	868	4,729
1989	8	490	3,152	939	4,653
1990	9	477	3,284	1,067	5,022
1991	9	543	3,212	1,167	5,670

Matters on Which Comments are Invited: Proposals have been made suggesting significant restructuring of the BPAI, and/or restructuring the relationship between the BPAI and the Commissioner.

In order to assist the Commissioner in his review of these matters and others, and to ensure that the views of the public and the patent and trademark user community are available for full consideration, comments as to the desirability of modifying or restructuring the boards and the review process are invited. Comments or suggestions relating to these matters should take into account and address at least the following questions:

1. The Commissioner has the responsibility to oversee policy and legal matters respecting the granting of patents and the registration of trademarks. What is the best organizational structure and relationship between the Commissioner and the boards through which the Commissioner may carry out that responsibility in the context of the functions which the boards serve?

2. Members of the PTO boards are currently held accountable for the quality and timeliness of their work, as well as their overall productivity. What is the best organizational structure and management arrangement for ensuring that board members effectively adhere to reasonable performance criteria in the context of any proposed modifications in the existing relationship between the boards and the Commissioner?

July 10, 1992

DOUGLAS B. COMER
Acting Assistant Secretary and Acting
Commissioner of Patents
and Trademarks

[1141 TMOG 56]

(295) Department of Commerce Patent and Trademark Office Review of Patent and Trademark Office Appeal Procedures

Agency: Patent and Trademark Office, Commerce

Action: Notice; Extension of Comment Period

Summary: The Patent and Trademark Office is extending the comment period for the Review of Patent and Trademark Office Appeal Procedures to Nov. 30, 1992.

Dates: Written comments must be received by the Office of the Assistant Commissioner for External Affairs, by Nov. 30, 1992.

⁵ Statistics, unless otherwise stated, are taken from the Patent & Trademark Office, U.S. Dep't of Commerce, *Commissioner of Patents and Trademarks Annual Reports*.

⁶ From the records of the TTAB.

A public hearing will be held on Dec. 1, 1992, at 9:30 a.m. Requests to present oral testimony should be received on or before Nov. 30, 1992.

Addresses: Address written comments and requests to present oral testimony to Michael K. Kirk, Assistant Commissioner for External Affairs, U.S. Patent and Trademark Office, Box 4, Washington, D.C. 20231. The hearing will be held in room 912, on the ninth floor of Crystal Park 2, 2121 Crystal Drive, Arlington, Va. Written comments and a transcript of the hearing will be available for public inspection in room 902 of Crystal Park 2, 2121 Crystal Dr., Arlington, Va.

For Further Information Contact: Michael K. Kirk, Assistant Commissioner for External Affairs, U.S. Patent and Trademark Office, Box 4, Washington, D.C. 20231. (703) 305-9300.

Supplementary Information: The Patent and Trademark Office published a notice and request for public comments in 57 FR 34123 (Aug. 3, 1992) requesting comments on possible changes in the structure and operation of one of the statutory administrative tribunals (boards) within the PTO, namely, the Board of Patent Appeals and Interferences. The comment period was set to close on Nov. 2, 1992. In order to provide sufficient time for the public comment, the comment period is being extended to Nov. 30, 1992, to ensure that all comments are considered. The public hearing has been reset for Dec. 1, 1992, at 9:30 a.m.

Oct. 7, 1992

DOUGLAS B. COMER

*Acting Assistant Secretary and Acting
Commissioner of Patents and Trademarks*

[1144 TMOG 8]

(296)

Iraqi Sanctions Regulations

On Jan. 18, 1991, the Department of the Treasury, Office of Foreign Assets Control (OFAC), published the Iraqi Sanctions Regulations (Regulations) (31 CFR Part 575). 56 Fed. Reg. 2112. The regulations implement Executive Orders 12722 (Aug. 2, 1990) and 12724 (Aug. 9, 1990) relating to certain property and transactions in which the Government of Iraq and persons in Iraq may have an interest.

It appears that the provisions of the Executive Orders and Regulations prohibit transactions relating to the filing or prosecution of applications for patents or for registration of trademarks, where an Iraqi interest is involved. The prohibited transactions, however, may be authorized by a specific license issued pursuant to the procedures described in Section 575.801 of Subpart H of the Regulations.

This notice is intended to alert practitioners and applicants to the prohibitions which may apply to matters before the Patent and Trademark Office, (PTO) if Iraqi interests are involved. This notice is further intended to advise that where such interests or potential interests come to the attention of the PTO, an appropriate specific license from OFAC may be required

Jan. 29, 1991

HARRY F. MANBECK, Jr.

*Commissioner of Patents
and Trademarks*

[1123 TMOG 36]

(297) Notice Regarding Patent and Trademark Rights in the Russian Federation

Representatives of the Russian Federation met with representatives of the U.S. Government on Monday, February 24, 1992, at the U.S. Patent and Trademark Office. The Russian delegation sought information about the operation of the U.S. patent and trademark systems and provided information about the treatment of inventions, industrial designs, utility models, trademarks, service marks, and appellations of origin in the Russian Federation.

Following is the text of a statement from the Chairman of the Committee for Patents and Trademarks (ROSPATENT), outlining the status of industrial property protection in the Russian Federation and the plans for the future.

INFORMATION

by the Committee for Patents and Trademarks

Due to the fact that the draft laws on patents and on trademarks were approved in the first hearing by the Supreme Soviet of the Russian Federation and taking into account numerous questions of domestic inventors, foreign patent offices and patent attorneys, the Committee for Patents and Trademarks (Rospatent) of the Ministry of Science, Higher School and Technical Policy of the Russian Federation hereby informs that:

1. Until the Patent Law and Trademark Law become effective, the provisions of the USSR Laws on Inventions, Industrial Designs and Trademarks, that are adopted as the normative base by the States party to the Provisional Agreement on the Industrial Property Protection, as signed in Minsk on Dec. 27, 1991, are applied in the territory of the Russian Federation.

According to the Provisional Agreement, the Russian Federation, as well as the other States party to it, recognizes the validity of titles of protection issued earlier pursuant to the USSR Laws in the territory of the Russian Federation.

Rospatent has submitted to the Government of the Russian Federation its proposals on issuing a normative act which is to certify the adoption by the Russian Federation of the said obligations arising out of the Provisional Agreement.

2. The applicants, who have filed applications for inventions, industrial designs and trademarks with the former USSR Gospatent, may, without losing the priority dates, wait until the Provisional Agreement on the Industrial Property Protection becomes effective, the Interstate Patent Office is established and its working procedures for issuing interstate titles of protection are elaborated.

3. In accordance with the abovesaid proposals by Rospatent, as submitted to the Government of the Russian Federation, any applicant wishing to obtain a patent (a trademark certificate) of the Russian Federation will be given the right to seek, on the basis of an application filed, for provisional protection in the territory of the Russian Federation.

Such provisional protection will be granted to inventions, industrial designs and trademarks claimed in the applications in respect of which the examiners have taken decisions on the possibility of issuing patents (certificates), and will last from the date when the data on an application are published in a special gazette to the date of issuance of a patent (certificate) of the Russian Federation.

The provisional protection in the territory of the Russian Federation will not impose legal barriers to obtaining, by the applicant, an interstate patent (certificate) after the Provisional Agreement on the Industrial Property Protection becomes effective. The priority date will still be considered as the date of filing the application either with the former USSR Gospatent or with Rospatent, with due regard to the conventional priority.

4. According to the Provisional Agreement on the Industrial Property Protection signed on Dec. 27, 1991, an inventor's certificate issued in the former USSR may not be exchanged for patents of the individual States party to the Provisional Agreement. The question of exchanging inventor's certificates for interstate patents will be finally resolved in the course of developing and concluding an Interstate Convention.

In this connection, Rospatent does not exchange inventors' certificates for patents if a petition to this extent was filed after Dec. 27, 1991.

V. Rassokhin
Chairman of Rospatent

Copies of unofficial translations of the draft laws referred to in the statement are available from Box 4, U.S. Patent and Trademark Office, Washington, DC 20231. The charge is \$4.00 to cover the cost of duplication. Checks should be made payable to the Commissioner of Patents and Trademarks.

March 2, 1992

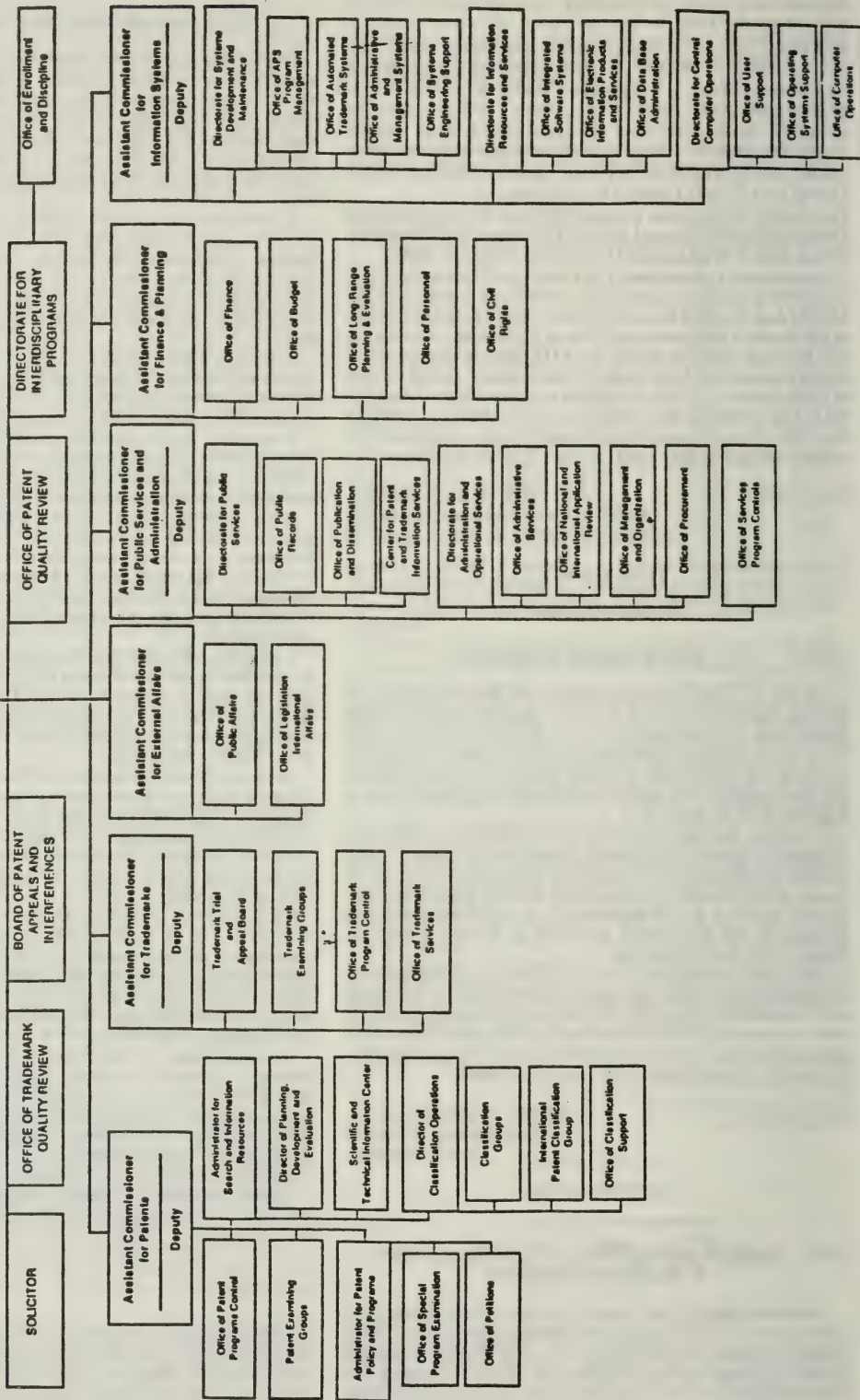
HARRY F. MANBECK, Jr.
*Assistant Secretary and Commissioner
of Patents and Trademarks*

[1136 TMOG 216]

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

EX-100-11 to DOO 30-3

ASSISTANT SECRETARY
AND COMMISSIONER
OF PATENTS AND TRADEMARKS
Deputy



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Group 3300, Director, John J. Love 308-0873
Group 3400, Director, John E. Kittle 308-0975

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PATENT AND TRADEMARK OFFICE NOTICES

Patent Cooperation Treaty (PCT) Information

For information concerning PCT member countries, see the notice appearing in the *Official Gazette* at 1142 O.G. 66, on Sept. 29, 1992.

For use of the European Patent Office as an International Searching Authority for international applications filed in the United States Receiving Office, see the notice appearing in the *Official Gazette* at 1022 O.G. 52, on Sept. 28, 1982.

For use of the European Patent Office as an International Preliminary Examining Authority for international applications filed in the United States Receiving Office, see the notices appearing in the *Official Gazette* at 1080 O.G. 2, on July 7, 1987 and at 1091 O.G. 2, on June 7, 1988. There is no longer a limit on the number of such international applications accepted for international preliminary examination by the European Patent Office; see the notice appearing at 1116 O.G. 32, on July 17, 1990.

The search fee of the European Patent Office was changed on Oct. 1, 1992, due to changes both in the amount of the international search fee charged by the European Patent Office and in the exchange rate of the U.S. dollar to the German mark, and was announced in the *Official Gazette* at 1142 O.G. 20, on Sept. 8, 1992.

International fees, effective on Dec. 1, 1992, due to changes in the exchange rate of the U.S. dollar with regard to the Swiss franc, were announced in the *Official Gazette* at 1143 O.G. 62, on Oct. 27, 1992.

Certain domestic PCT fees and charges for International Search and Preliminary Examination have been changed effective Oct. 1, 1992 and were announced in the *Official Gazette* at 1141 O.G. 68 on Aug. 25, 1992.

The current schedule of PCT fees (in U.S. dollars) is as follows:

Transmittal fee:	200.00
Search Fee	
U.S. Patent and Trademark Office (USPTO) as International Searching Authority (ISA)	
—No corresponding prior U.S. national application filed	620.00
—Corresponding prior U.S. national application filed	410.00
—Supplemental search fee, per additional invention	170.00
European Patent Office as ISA	1635.00
Preliminary examination fee	
USPTO as International Preliminary Examining Authority (IPEA)	
—Search fee paid to USPTO as ISA	450.00
—Additional examination fee, per additional invention	140.00
—ISA not the USPTO	670.00
—Additional examination fee, per additional invention	230.00
International fees	
Basic fee	593.00
Basic Supplemental fee (for each page over 30)	12.00
Designation fee per country or region for the first 10 national or regional offices	144.00
Designation fee for 11th and subsequent designations	No Charge
Handling fee	181.00

U.S. National Stage fees	Small Entity	Regular
USPTO was IPEA	320.00	640.00

USPTO was ISA but not IPEA	355.00	710.00
USPTO was neither ISA nor IPEA	475.00	950.00
Filing with an EPO or JPO search report	415.00	830.00
USPTO was IPEA and all claims presented satisfied provisions of PCT Article 33(2) to (4)	45.00	90.00
—For each independent claim in excess of 3	37.00	74.00
—For each claim in excess of 20	11.00	22.00
—For each application containing a multiple dependent claim	115.00	230.00
—Surcharge for filing national fee or oath or declaration after the time limit applicable under PCT Article 22 or 39(1)	65.00	130.00
—Processing fee for filing English translation after the time limit applicable under PCT Article 22 or 39(1)	130.00	130.00

Nov. 8, 1992

DOUGLAS B. COMER,
Acting Assistant Secretary and Acting
Commissioner of Patents and Trademarks.

Patent Cooperation Treaty Update

New Rule 32 on Extension of Effects of International Applications to Certain Successor States

On Sept. 29, 1992, the Assembly of the International Patent Cooperation (PCT) union adopted an amendment to the Regulations under the PCT. The amendment (new Rule 32 set forth below) is effective from Oct. 1, 1992. New Rule 32 provides that in response to a notification sent by the World Intellectual Property Organization, an applicant may request the extension of the effects of an international application to a successor Contracting State.

Rule 32 (new) Extension of Effects of International Application to Certain Successor States

32.1 Request for Extension of International Application to Successor State

(a) The effects of any international application whose international filing date falls in the period defined in paragraph (b) may, subject to the performance by the applicant of the acts specified in paragraph (c), be extended to a State ("the successor State") whose territory was, before the independence of that State, part of the territory of a Contracting State which subsequently ceased to exist ("the predecessor State"), provided that the successor State has become a Contracting State through the deposit, with the Director General, of a declaration of continuation the effect of which is that the Treaty is applied by the successor State.

(b) The period referred to in paragraph (a) starts on the day following the last day of the existence of the predecessor State and ends two months after the date on which the declaration referred to in paragraph (a) was notified by the Director General to the Governments of the States party to the Paris Convention for the Protection of Industrial Property. However, where

the date of independence of the successor State is earlier than the date of the day following the last day of the existence of the predecessor State, the successor State may declare that the said period starts on the date of its independence; such a declaration shall be made together with the declaration referred to in paragraph (a) and shall specify the date of independence.

(c) in respect of any international application whose filing date falls within the applicable period under paragraph (b), the International Bureau shall send the applicant a notification informing him that he may make a request for extension by performing, within three months from the date of that notification, the following acts:

(i) filing with the International Bureau the request for extension;

(ii) paying to the International Bureau an extension fee in Swiss francs, the amount of which shall be the same as the amount of the designation fee referred to in Rule 15.2(a).

(d) This Rule shall not apply to the Russian Federation.

32.2 Effects of Extension to Successor State

(a) Where a request for extension is made in accordance with Rule 32.1,

(i) the successors State shall be considered as having been designated in the international application, and

(ii) the applicable time limit under Article 22 or 39(I) in relation to that State shall be extended until the expiration of at least three months from the date of the request for extension.

(b) Where, in case of a successor State which is bound by Chapter II of the Treaty, the request for extension was made after, but the demand was made before, the expiration of the 19th month from the priority date, and a later election is made of the

successor State within three months from the date of the request for extension, the applicable time limit under paragraph (a)(ii) shall be at least 30 months from the priority date.

(c) The successor State may fix time limits which expire later than those provided in paragraphs (a) (ii) and (b). The International Bureau shall publish information on such time limits in the Gazette.

Declaration of Continuation by Ukraine

The United States Patent and Trademark Office has received notification from the World Intellectual Property Organization (WIPO) that Ukraine on Sept. 21, 1992, deposited a declaration the effect of which is that the PCT is applied by Ukraine. Consequently, nationals and residents of Ukraine are entitled to file international applications under the PCT, and Ukraine may be designated and elected in international applications. Moreover, the extension to Ukraine of the effects of each international application filed on or after Dec. 25, 1991 (the date on which the Soviet Union ceased to exist) and no later than Nov. 23, 1992, may be requested by the applicant concerned. That request must be filed with, and the prescribed fee must be paid to, the International bureau of WIPO within three months from the date of its notification informing the applicant that a request for extension may be made. An applicant may also extend to Ukraine the effect of an international application which was filed before Dec. 25, 1991, provided the application designated the Soviet Union and other conditions and procedures as prescribed by Ukraine are met. These conditions and procedures are set forth in a decree of the President of Ukraine of Sept. 18, 1992. the decree is reproduced below.

Listing of PCT Member Countries

Country	Instrument	Deposit of Instrument	Entry into Force ¹
(1) Central African Republic ²	Accession	15 September 1971	24 January 1978
(2) Senegal ²	Ratification	08 March 1972	24 January 1978
(3) Madagascar	Ratification	27 March 1972	24 January 1978
(4) Malawi	Accession	16 May 1972	24 January 1978
(5) Cameroon ²	Accession	15 March 1973	24 January 1978
(6) Chad ²	Accession	12 February 1974	24 January 1978
(7) Togo ²	Ratification	28 January 1975	24 January 1978
(8) Gabon ²	Accession	06 March 1975	24 January 1978
(9) United States of America	Ratification	26 November 1975	24 January 1978
(10) Germany, Federal Republic of ³	Ratification	19 July 1976	24 January 1978
(11) Congo ²	Accession	08 August 1977	24 January 1978
(12) Switzerland ³	Ratification	14 September 1977	24 January 1978
(13) United Kingdom ³	Ratification	24 October 1977	24 January 1978
(14) France ³	Ratification	25 November 1977	25 February 1978
(15) Russian Federation	Ratification	29 December 1977	29 March 1978
(16) Brazil	Ratification	09 January 1978	09 April 1978
(17) Luxembourg ³	Ratification	31 January 1978	30 April 1978
(18) Sweden ³	Ratification	17 February 1978	17 May 1978
(19) Japan	Ratification	01 July 1978	01 October 1978
(20) Denmark ³	Ratification	01 September 1978	01 December 1978
(21) Austria ³	Ratification	23 January 1979	23 April 1979
(22) Monaco ³	Ratification	22 March 1979	22 June 1979
(23) Netherlands ³	Ratification	10 April 1979	10 July 1979
(24) Romania	Ratification	23 April 1979	23 July 1979
(25) Norway	Ratification	01 October 1979	01 January 1980
(26) Liechtenstein ³	Accession	19 December 1979	19 March 1980
(27) Australia	Accession	31 December 1979	31 March 1980
(28) Hungary	Ratification	27 March 1980	27 June 1980
(29) Democratic People's Republic of Korea (North Korea)	Accession	08 April 1980	08 July 1980

Country	Instrument	Deposit of Instrument	Entry into Force ¹
(30) Finland	Ratification	01 July 1980	01 October 1980
(31) Belgium ³	Ratification	14 September 1981	14 December 1981
(32) Sri Lanka	Accession	26 November 1981	26 February 1982
(33) Mauritania ²	Accession	13 January 1983	13 April 1983
(34) Sudan	Accession	16 January 1984	16 April 1984
(35) Bulgaria	Accession	21 February 1984	21 May 1984
(36) Republic of Korea (South Korea)	Accession	10 May 1984	10 August 1984
(37) Mali ²	Accession	19 July 1984	19 October 1984
(38) Barbados	Accession	12 December 1984	12 March 1985
(39) Italy ³	Ratification	28 December 1984	28 March 1985
(40) Benin ²	Accession	26 November 1986	26 February 1987
(41) Burkina Faso ²	Accession	21 December 1988	21 March 1989
(42) Spain ³	Accession	16 August 1989	16 November 1989
(43) Canada	Ratification	02 October 1989	02 January 1990
(44) Greece ³	Accession	09 July 1990	09 October 1990
(45) Poland	Accession	25 September 1990	25 December 1990
(46) Cote d'Ivoire ²	Ratification	31 January 1991	30 April 1991
(47) Guinea ²	Accession	27 February 1991	27 May 1991
(48) Mongolia	Accession	27 February 1991	27 May 1991
(49) Czechoslovakia	Accession	20 March 1991	20 June 1991
(50) Ireland ³	Ratification	01 May 1992	01 August 1992
(51) Portugal ³	Accession	24 August 1992	24 November 1992
(52) New Zealand	Accession	01 September 1992	01 December 1992
(53) Ukraine	Declaration ⁴	21 September 1992	25 December 1991

¹Although the PCT entered into force on January 24, 1978, the Assembly of the PCT Union fixed June 1, 1978, as the date from which international applications could be filed and demands for international preliminary examination could be submitted.

²Members of African Intellectual Property Organization (OAPI) regional patent system. Only regional patent protection is available for OAPI countries. A designation of any country is an indication that all OAPI countries have been designated. Only one designation fee is due regardless of the number of OAPI member countries designated.

³Member of European Patent Convention (EPC) regional patent system. Either national or European patents for member countries are available through PCT, except for France, Belgium, Italy, Ireland and Greece for which only European patents are available if PCT is used. Note: Only one PCT designation fee is due if European regional patent protection is sought for one, several or all EPC member countries under the PCT.

⁴Declaration of continued application.

Dec. 11, 1992

DOUGLAS B. COMER
Acting Assistant Secretary
and Acting Commissioner
of Patents and Trademarks

Regarding Industrial Property Protection in Ukraine

The following announcement of Ukraine was furnished by the World Intellectual Property Organization of Geneva, Switzerland.

ANNOUNCEMENT ON THE PROVISIONAL REGULATION CONCERNING THE LEGAL PROTECTION OF INDUSTRIAL PROPERTY IN UKRAINE

The President of Ukraine, by his Decree of Sept. 18, 1992, approved the Provisional Regulation on Legal Protection of Objects of Industrial Property and Rationalization Proposals in Ukraine ("Regulation"). The Regulation entered into force on Sept. 18, 1992.

The situation of industrial property protection in Ukraine, as resulting in particular from the transitional provisions of the Regulation, is summarized below.

I. The Transitional Provisions Concerning Priority and, in Respect of Applications for Patents of Inventions, the Carrying Out of Examination

(1) Any priority claimed within six months from the entry into force of the Regulation, i.e. until Mar. 18, 1993, on the basis of the first filing in a State party to the Paris Convention for the Protection of Industrial Property, will be recognized even if it is claimed after twelve months from the first filing in the case of patents for inventions, or six months from the first filing in the case of industrial designs or trademarks, provided that it is claimed not later than twenty-seven months from the first filing in the case of patents for inventions, or not later than twenty-one months from the first filing in the case of industrial designs and trademarks.

(2) The applicant or any other person may submit to the State Patent Office of Ukraine within five years from the filing date a request for the substantive examination of an application for a patent for invention. The request must be accompanied by a search report established by an International Searching Authority under the Patent Cooperation Treaty (PCT) or an organization registered with the State Patent Office of Ukraine as a Searching Authority, or by evidence that an action to grant a patent has been taken by a Patent Office which has a substantive examination system for granting patents.

II. Applications for Industrial Property Rights Filed with the Patent Office of the Soviet Union

(3) An applicant of an application for a patent for invention, for an inventor's certificate, for an industrial design patent or certificate or for a trademark certificate filed with the Patent Office of the Soviet Union may request the State Patent Office of Ukraine within six months from the date of entry into force of the Regulation, i.e., until Mar. 18, 1993, that the said application be further processed according to the Regulation. The request must be accompanied by a copy of said application, including a copy of the request showing the filing date as sent back by the Patent office of the Soviet Union to the applicant, and by any available evidence showing that the said application still had effect on Dec. 24, 1991. The filing date and any priority date of the said application will be maintained.

III. Industrial Property Rights Granted by the Patent Office of the Soviet Union

(4) Patents for inventions, industrial design patents and trademark certificates granted by the Patent Office of the Soviet Union prior to Dec. 25, 1991, will, after their registration by the State Patent Office of Ukraine at the request of the owner and upon furnishing of a document for payment of the prescribed fee (see paragraph (11), below), be considered as having the same effects for the remaining period of their validity as a patent for invention, industrial design patent or trademark certificate granted in accordance with the Regulation by the State Patent Office of Ukraine. The duration of the said validity is 20 years from the filing date of the application in the case of a patent for invention, 15 years from the filing date of the application in the case of an industrial design patent and, in the case of a trademark certificate, 10 years from the filing date of the application (if the period of validity of the certificate had not yet been extended by Dec. 24, 1991) or from the date of the request for extension of the period of validity (if the period of validity of the certificate had already been extended by Dec. 24, 1991). The request must be filed within six months from the date of entry into force of the Regulation, i.e., until Mar. 18, 1993, and must be accompanied by a copy of the patent or certificate granted by the Patent Office of the Soviet Union.

(5) As regards inventors' certificates and industrial design certificates granted by the Patent Office of the Soviet Union in relation to which a 20-year term in the case of inventions, or a 15-year term in the case of industrial designs, both counted from the filing date of the application, has not expired before the entry into force of the Regulation, i.e., prior to Sept. 18, 1992, the State Patent Office of Ukraine will grant, at the request of the inventor (inventors) and with the consent of the applicant, a Ukrainian patent to the inventor himself, or to any other physical or legal person, with their consent, indicated in the request, or to the Ukrainian Inventions Foundation. In the case of inventions, if the said request is not made within the period of one year after the entry into force of the Regulation, i.e., until Sept. 18, 1993, inventors' certificates granted by the Patent Office of the Soviet Union shall be exchanged for Ukrainian patents granted to the Ukrainian Inventions Foundation. Any Ukrainian patent to which this paragraph applies will be valid until the expiration of 20 years from the filing date of the application in the case of inventions, and 10 years from the filing date of the application, with an opportunity of subsequent extension, upon request of the owner, but not longer than for another 5-year period in the case of industrial designs.

IV. Effects in Ukraine of International Applications under the Patent Cooperation Treaty (PCT)

(6)(a) On Sept. 21, 1992, Ukraine deposited a declaration of continuation the effect of which is that the Patent Cooperation Treaty (PCT) is applied by Ukraine. Nationals and residents of

Ukraine can therefore file international applications, and Ukraine can be designated and elected in international applications filed, from that date.

(b) On Sept. 29, 1992, the Assembly of the PCT Union adopted, with effect on Oct. 1, 1992, new Rules 32.1 and 32.2 in the Regulations under the PCT, concerning the extension of international applications to certain successor States.

(c) For the purpose of determining the status of international applications with respect to Ukraine, one has to distinguish between

(i) international applications designating the Soviet Union which were filed prior to Dec. 25, 1991 (see (d), below);

(ii) international applications—irrespective of the designations, they contain—which were filed between Dec. 25, 1991, and Nov. 23, 1992 (see (e) to (g), below);

(iii) international applications designating Ukraine filed on or after Sept. 21, 1992 (see (h), below).

(d) As regards any international application whose international filing date is prior to Dec. 25, 1991, and in which the Soviet Union has been designated, the "national filing effect" of any such application under Article 11(4) of the PCT will, pursuant to the deposit by Ukraine of its declaration of continuation, be recognized in Ukraine (provided that the international application has not lost its effect in the Soviet Union by Dec. 24, 1991). The conditions under which any such international application, or any patent or inventor's certificate resulting therefrom and granted by the Patent Office of the Soviet Union, may continue to have effect in Ukraine are the following:

(i) if a patent for invention or an inventor's certificate has been granted by the Patent Office of the Soviet Union on the basis of the international application, the conditions described in paragraphs (4) and (5), above, are applicable;

(ii) if the applicant has entered the national phase before the Patent Office of the Soviet Union but a patent for invention or an inventor's certificate had not been granted by the Patent Office of the Soviet Union without the application having been rejected by that Office, the applicant must, until Mar. 18, 1993,

—furnish to the State Patent Office of Ukraine a copy of the Russian translation submitted to the Patent Office of the Soviet Union and any available evidence showing that the application still had effect on Dec. 24, 1991,

—file the request referred to in paragraph (3), above, with the State Patent Office of Ukraine, and

—furnish to the State Patent Office of Ukraine a document for payment of the prescribed fee (see paragraph 11, below);

(iii) if the applicant has not entered the national phase before the Patent Office of the Soviet Union and the time limit for entering the national phase before that Office had not expired on Dec. 24, 1991, the applicant must, until Mar. 18, 1993, furnish to the State Patent Office of Ukraine a translation of the international application into Ukrainian or Russian and a document for payment of the prescribed fee (see paragraph 11, below).

(e) As regards any international application whose filing date is later than Dec. 24, 1991, and earlier than Nov. 24, 1992¹, its effects may be extended to Ukraine (irrespective of the designations it contains) through the performance by the applicant of the following acts:

¹With the exception of any such international application whose international filing date is later than Sept. 21, 1992, and in which Ukraine has been designated under Rule 4.9(a) of the Regulations under the PCT: in such a case, the procedure described in (e) to (g) is not applicable, and the procedure described in (h) is applicable. It should be noted that only those international applications filed on or after Sept. 21, 1992, can specifically designate Ukraine.

(i) filing with the International Bureau of the World Intellectual Property Organization (WIPO) a request for extension;

(ii) paying to the International Bureau of WIPO an extension fee of 185 Swiss francs, payable in Swiss francs.

(f) The applicant in respect of each and every international application referred to in (e), above, or his agent or common representative if there is one, will receive a written notification from the International Bureau of WIPO calling his attention to the fact that he can, by filing a written request for extension, extend the effects of the international application to Ukraine. The notification will, in particular, specify the modes of payment of the extension fee of 185 Swiss francs. The request for extension must contain the identification of the international application by its international application number. A form which may be used for the purpose of requesting the extension to Ukraine will be attached to the notification. The request for extension must be in English or French, and may be sent by telefax or telex. The request for extension and the corresponding payment must reach the International Bureau of WIPO before the expiration of three months from the date of the notification sent by the International Bureau of WIPO; if either the request or the fee is received later, the request will be refused. It is recommended that applicants await the notification from the International Bureau of WIPO and use the form attached to it, but requests and payments may be made without waiting for the notification from the International Bureau of WIPO.

(g) If the conditions described in (e) and (f), above, are fulfilled, Ukraine will be considered as having been designated in the international application on its international filing date. For entering the national phase before the State Patent Office of Ukraine, the applicant must furnish to that Office a translation of the international application into Ukrainian or Russian and a document for payment of the prescribed fee (see paragraph 11, below) until Dec. 31, 1993, or within the following time limit if that time limit expires after Dec. 31, 1993:

(i) before the expiration of 21 months from the priority date if Ukraine is not elected under Chapter II of the PCT within 19 months from the priority date;

(ii) before the expiration of 31 months from the priority date if Ukraine is elected under Chapter II of the PCT within 19 months from the priority date.

(h) As regards any international application whose international filing date is later than Sept. 20, 1992, and in which Ukraine has been designated, the applicant, in order to enter the national phase before the State Patent Office of Ukraine, must furnish to that Office a translation of the international application into Ukrainian or Russian and a document for payment of the prescribed fee (see paragraph 11, below) to that Office within the following time limit:

(i) before the expiration of 21 months from the priority date if Ukraine is not elected under Chapter II of the PCT within 19 months from the priority date;

(ii) before the expiration of 31 months from the priority date if Ukraine is not elected under Chapter II of the PCT within 19 months from the priority date.

V. Effects in Ukraine of International Registrations under the Madrid Agreement Concerning the International Registration of Marks

(7)(a) On Sept. 21, 1992, Ukraine deposited a declaration of continuation the effect of which is that the Madrid Agreement Concerning the International Registration of Marks is applied by Ukraine.

(b) On Sept. 29, 1992, the Assembly of Madrid Union adopted, with effect on Oct. 1, 1992, a new Rule 38 in the Regulations under the Madrid agreement, concerning the effect of international registrations in certain successor States.

(c) Pursuant to the deposit of the declaration of continuation

and to the decision of the Assembly, certain international registrations may have effect in Ukraine subject to the conditions described below. Those international registrations are those which have territorial extension to the Soviet Union effective from a date prior to Dec. 25, 1991.

(d) The conditions referred to above are the following:

(i) the filing with the International Bureau of the World Intellectual Property Organization (WIPO) of a request;

(ii) the payment to the International Bureau of WIPO of a fee, the amount which is 62 Swiss francs per international registration.

(e) The owner of each and every international registration concerned, or his representative (if the owner has a representative whose name appears in the International Register), will receive a written notice from the International Bureau of WIPO calling his attention to the fact that he can, by filing a written request, continue the effect of the international registration to Ukraine. The notice will, in particular, specify the modes of payment of the fee. The request must contain the identification of the international registration concerned by its international registration number. A form (in French) will be attached to the notice and may be used. The request must be in English or French, and may be sent by telefax or telex. The request and the corresponding payment must reach the International Bureau of WIPO before the expiration of six months from the date of the notice sent by the International Bureau of WIPO; if either the request or the fee is received later, the request will be refused. Requests and payments may be made without waiting for the notice of the International Bureau of WIPO.

(f) If the conditions described above are fulfilled, the international registration concerned will, with respect to Ukraine, have effect as from the effective date of the territorial extension to the Soviet Union and benefit from any priority validly claimed in regard to such extension.

(g) For each international registration which has no territorial extension to the Soviet Union or whose international registration date is later than Dec. 24, 1991, protection in Ukraine can only be obtained by filing, through the intermediary of the national Office of the country of the owner, a request for territorial extension under Rule 20 of the Regulations under the Madrid Agreement. It is to be noted that requests for territorial extension to Ukraine are possible at present.

VI. Prior User Right

(8) Enterprises, organizations and institutions which have already started to use inventions or industrial designs for which protection can be obtained according to paragraph (5), above, prior to the entry into force of the Regulation, i.e., prior to Sept. 18, 1992, will have the right to a continued use of such inventions and industrial designs, but without increasing the volume of their utilization.

VII. New Applications

(9) From the date of entry into force of the Regulation, i.e. from Sept. 18, 1992, onward, applications for patents for inventions, for industrial design patents and for trademark certificates can be filed with the State Patent Office of Ukraine. The request as a part of the application must be filed in Ukrainian and be accompanied on the filing date by the prescribed fees. Other parts of the application may be presented in Ukrainian or Russian. They may also be presented in English, French or German, provided that a translation into Ukrainian is presented upon request of the state Patent Office of Ukraine.

VIII. Procedural Provisions

(10) If an applicant does not have his ordinary residence or principal place of business in Ukraine, he must authorize a

representative in Ukraine, and all applications and requests referred to in the present announcement must be filed through the intermediary of such a representative. The list of the persons who can act as representatives is available at the State Patent Office of Ukraine.

(11) The amounts of the fees which are referred to as "prescribed fees" in the present announcement as well as the kind of document which constitutes a "document for payment of the prescribed fee" will be published in a separate announcement.

IX. Address of the Patent Office

State Patent Office of Ukraine
4, Karl Leibknecht Street
252008 Kiev
Ukraine
Tel.: (7044) 293-2188
Fax.: (7044) 268-2588

Dec. 11, 1992

DOUGLAS B. COMER
*Acting Assistant Secretary and
Acting Commissioner of
Patents and Trademarks*

Notice of Maintenance Fees Payable

Title 37, Code of Federal Regulations, Section 1.362(d) provides that maintenance fees may be paid without surcharge for a six-month period beginning 3, 7, and 11 years after the date of issue of patents based on application filed on or after Dec. 12, 1980. An additional six-month grace period is provided by 35 U.S.C. 41(b) and 37 CFR 1.362(e) for payment of the maintenance fee with the surcharge set forth in 37 CFR 1.20(h), as amended effective Dec. 16, 1991. If the maintenance fee is not paid in a patent requiring such payment the patent will expire on the 4th, 8th or 12th anniversary of the patent.

Attention is drawn to the patents which were issued on January 2, 1990 for which maintenance fees due at 3 years and six months may now be paid. The patents have patent numbers within the following ranges:

Utility Patents 4,890,335 through 4,891,844
Reissue Patents based on the above identified patents.

Attention is drawn to the patents which were issued on December 31, 1985 for which maintenance fees due at 7 years and six months may now be paid. The patents have patent numbers within the following ranges:

Utility Patents 4,561,121 through 4,562,595
Reissue Patents based on the above identified patents.

No maintenance fees are required for design or plant patents.

Payments of maintenance fees in patents should be directed to "Commissioner of Patents and Trademarks, Box M. Fee, Washington, D.C. 20231."

For patents based on applications filed on or after December 12, 1980, but before August 27, 1982, patent owners must establish small entity status according to 37 CFR 1.27 if they have not done so and if they wish to pay the small entity.

The current amounts of the maintenance fees due at 3 years and six months and seven years and six months and eleven years and six months are set forth in 37 CFR 1.20(e)-(g), as amended Oct. 1, 1992, which are reproduced below:

37 CFR § 1.20 Post-issuance fees

(e) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after after Dec. 12, 1980, in force beyond 4 years; the fee is due by three years and six months after the original grant:

By a small entity (§ 1.9f)\$465.00
By other than a small entity\$930.00

(f) For maintaining an original or reissue patent, except a design or plant patent, based on an application filed on or after Dec. 12, 1980 in force beyond 8 years; the fee is due by seven years and six months after the original grant:

By a small entity (§ 1.9f)\$935.00
By other than a small entity\$1,870.00

(g) For maintaining an original or reissue patent except a design or plant patent, based on an application filed on or after Dec. 12, 1980, in force beyond 12 years; the fee is due by eleven years and six months after the original grant:

By a small entity (§ 1.9(f))\$1,410.00
By other than a small entity\$2,820.00

The amounts of the surcharges for paying the maintenance fee during the grace period or after the expiration of the patent are set forth in 37 CFR 1.20(h), and (i), which are reproduced below:

(h) Surcharge for paying a maintenance fee during the 6-month grace period following the expiration of three years and six months, seven years and six months, and eleven years and six months after the date of the original grant of a patent based on an application filed on or after Dec. 12, 1980

By a small entity (§ 1.9f)\$65.00
By other than a small entity\$130.00

(i) Surcharge for accepting a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay is shown to the satisfaction of the Commissioner to have been unavoidable\$620.00

Notice of Expiration of Patents Due to Failure to Pay Maintenance Fees

35 U.S.C. 41 and 37 CFR 1.362(g) provide that if the required maintenance fee and any applicable surcharge are not paid in a patent requiring such payment, the patent will expire at the end of the 4th, 8th, or 12th anniversary of the grant of the patent depending on the first maintenance fee which was not paid.

According to the records of the Office, the patents listed below have expired due to failure to pay the required maintenance fee and any applicable surcharge.

PATENTS WHICH EXPIRED OCTOBER 25, 1992 DUE TO FAILURE TO PAY MAINTENANCE FEES

Patent Number	Serial Number	Issue Date
4,477,930	06/425,553	10/23/84
4,477,932	06/578,849	10/23/84
4,477,945	06/409,292	10/23/84
4,477,949	06/485,741	10/23/84
4,477,957	06/456,628	10/23/84
4,477,959	06/444,505	10/23/84
4,477,960	06/321,242	10/23/84
4,477,964	06/538,182	10/23/84
4,477,969	06/393,514	10/23/84
4,477,975	06/266,187	10/23/84
4,477,976	06/566,700	10/23/84
4,477,987	06/441,358	10/23/84
4,477,993	06/416,566	10/23/84
4,477,994	06/430,342	10/23/84
4,477,995	06/519,060	10/23/84
4,478,000	06/446,378	10/23/84
4,478,004	06/353,225	10/23/84
4,478,005	06/453,062	10/23/84
4,478,006	06/522,469	10/23/84
4,478,011	06/557,384	10/23/84
4,478,013	06/396,620	10/23/84
4,478,016	06/418,429	10/23/84
4,478,021	06/428,958	10/23/84
4,478,022	06/379,312	10/23/84
4,478,023	06/373,238	10/23/84

Patent Number	Serial Number	Issue Date			
4,478,027	06/374,590	10/23/84	4,478,328	06/333,945	10/23/84
4,478,033	06/567,412	10/23/84	4,478,332	06/355,348	10/23/84
4,478,034	06/503,188	10/23/84	4,478,333	06/464,957	10/23/84
4,478,041	06/294,640	10/23/84	4,478,335	06/502,188	10/23/84
4,478,045	06/352,531	10/23/84	4,478,337	06/393,462	10/23/84
4,478,048	06/586,051	10/23/84	4,478,338	06/448,396	10/23/84
4,478,055	06/427,382	10/23/84	4,478,339	06/295,259	10/23/84
4,478,058	06/478,998	10/23/84	4,478,348	06/413,108	10/23/84
4,478,069	06/508,372	10/23/84	4,478,350	06/301,344	10/23/84
4,478,072	06/430,477	10/23/84	4,478,352	06/379,892	10/23/84
4,478,075	06/449,617	10/23/84	4,478,357	06/471,872	10/23/84
4,478,080	06/508,688	10/23/84	4,478,358	06/475,749	10/23/84
4,478,083	06/503,437	10/23/84	4,478,360	06/409,691	10/23/84
4,478,084	06/503,438	10/23/84	4,478,364	06/404,771	10/23/84
4,478,088	06/451,910	10/23/84	4,478,367	06/422,028	10/23/84
4,478,096	06/509,091	10/23/84	4,478,374	06/360,827	10/23/84
4,478,098	06/243,639	10/23/84	4,478,375	06/287,329	10/23/84
4,478,101	06/489,720	10/23/84	4,478,382	06/409,829	10/23/84
4,478,104	06/377,215	10/23/84	4,478,383	06/280,911	10/23/84
4,478,105	06/362,487	10/23/84	4,478,384	06/386,701	10/23/84
4,478,107	06/310,831	10/23/84	4,478,390	06/477,927	10/23/84
4,478,112	06/419,237	10/23/84	4,478,391	06/526,484	10/23/84
4,478,116	06/413,756	10/23/84	4,478,393	06/540,175	10/23/84
4,478,140	06/404,501	10/23/84	4,478,397	06/362,760	10/23/84
4,478,150	06/457,334	10/23/84	4,478,404	06/490,071	10/23/84
4,478,151	06/470,671	10/23/84	4,478,409	06/395,486	10/23/84
4,478,159	06/534,668	10/23/84	4,478,416	06/414,172	10/23/84
4,478,169	06/503,568	10/23/84	4,478,419	06/389,397	10/23/84
4,478,179	06/558,831	10/23/84	4,478,421	06/542,417	10/23/84
4,478,187	06/377,812	10/23/84	4,478,424	06/574,359	10/23/84
4,478,189	06/545,672	10/23/84	4,478,427	06/453,147	10/23/84
4,478,190	06/444,366	10/23/84	4,478,429	06/445,981	10/23/84
4,478,193	06/460,989	10/23/84	4,478,431	06/324,668	10/23/84
4,478,196	06/292,031	10/23/84	4,478,433	06/427,819	10/23/84
4,478,197	06/428,228	10/23/84	4,478,434	06/434,188	10/23/84
4,478,198	06/466,050	10/23/84	4,478,440	06/364,366	10/23/84
4,478,199	06/428,645	10/23/84	4,478,442	06/429,246	10/23/84
4,478,200	06/451,660	10/23/84	4,478,447	06/454,011	10/23/84
4,478,203	06/467,194	10/23/84	4,478,448	06/385,812	10/23/84
4,478,207	06/388,250	10/23/84	4,478,449	06/460,285	10/23/84
4,478,208	06/572,841	10/23/84	4,478,451	06/345,342	10/23/84
4,472,213	06/410,025	10/23/84	4,478,465	06/429,842	10/23/84
4,478,225	06/446,321	10/23/84	4,478,466	06/377,276	10/23/84
4,478,232	06/553,364	10/23/84	4,478,471	06/590,550	10/23/84
4,478,235	06/364,119	10/23/84	4,478,481	06/348,461	10/23/84
4,478,239	06/418,154	10/23/84	4,478,483	06/376,910	10/23/84
4,478,248	06/459,475	10/23/84	4,478,485	06/375,150	10/23/84
4,478,257	06/448,411	10/23/84	4,478,486	06/407,670	10/23/84
4,478,259	06/352,559	10/23/84	4,478,488	06/543,231	10/23/84
4,478,260	06/515,687	10/23/84	4,478,498	06/472,823	10/23/84
4,478,262	06/417,739	10/23/84	4,478,500	06/348,744	10/23/84
4,478,263	06/477,946	10/23/84	4,478,506	06/464,065	10/23/84
4,478,266	06/419,286	10/23/84	4,478,512	06/493,464	10/23/84
4,478,267	06/422,855	10/23/84	4,478,514	06/468,576	10/23/84
4,478,270	06/250,010	10/23/84	4,478,515	06/536,256	10/23/84
4,478,271	06/355,892	10/23/84	4,478,516	06/428,907	10/23/84
4,478,272	06/310,729	10/23/84	4,478,520	06/432,292	10/23/84
4,478,275	06/516,631	10/23/84	4,478,530	06/488,572	10/23/84
4,478,277	06/392,812	10/23/84	4,478,533	06/420,310	10/23/84
4,478,280	06/508,705	10/23/84	4,478,534	06/250,936	10/23/84
4,478,281	06/300,427	10/23/84	4,478,543	06/342,176	10/23/84
4,478,282	06/366,369	10/23/84	4,478,544	06/384,873	10/23/84
4,478,283	06/510,126	10/23/84	4,478,547	06/428,198	10/23/84
4,478,288	06/307,835	10/23/84	4,478,556	06/370,385	10/23/84
4,478,289	06/452,528	10/23/84	4,478,558	06/392,078	10/23/84
4,478,290	06/424,446	10/23/84	4,478,566	06/498,764	10/23/84
4,478,293	06/384,411	10/23/84	4,478,580	06/463,369	10/23/84
4,478,296	06/330,097	10/23/84	4,478,581	06/364,230	10/23/84
4,478,298	06/449,137	10/23/84	4,478,594	06/376,471	10/23/84
4,478,299	06/362,282	10/23/84	4,478,595	06/361,616	10/23/84
4,478,301	06/450,105	10/23/84	4,478,597	06/505,798	10/23/84
4,478,306	06/392,203	10/23/84	4,478,603	06/495,628	10/23/84
4,478,307	06/308,371	10/23/84	4,478,604	06/364,361	10/23/84
4,478,309	06/388,242	10/23/84	4,478,605	06/488,227	10/23/84
4,478,319	06/461,777	10/23/84	4,478,616	06/409,533	10/23/84
4,478,321	06/341,034	10/23/84	4,478,620	06/446,979	10/23/84
4,478,323	06/345,369	10/23/84	4,478,627	06/399,085	10/23/84
			4,478,628	06/405,658	10/23/84
			4,478,633	06/389,271	10/23/84

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			4,478,951	06/455,168	10/23/84
4,478,636	06/472,456	10/23/84	4,478,962	06/510,835	10/23/84
4,478,646	06/388,562	10/23/84	4,478,969	06/506,949	10/23/84
4,478,659	06/442,252	10/23/84	4,478,972	06/565,312	10/23/84
4,478,661	06/460,205	10/23/84	4,478,977	06/475,637	10/23/84
4,478,667	06/246,815	10/23/84	4,478,981	06/360,525	10/23/84
4,478,669	06/584,058	10/23/84	4,478,982	06/302,182	10/23/84
4,478,681	06/400,834	10/23/84	4,478,986	06/418,514	10/23/84
4,478,687	06/567,030	10/23/84	4,478,987	06/422,928	10/23/84
4,478,689	06/289,104	10/23/84	4,478,992	06/530,813	10/23/84
4,478,692	06/561,152	10/23/84	4,478,994	06/566,457	10/23/84
4,478,696	06/400,254	10/23/84	4,479,000	06/409,594	10/23/84
4,478,701	06/567,189	10/23/84	4,479,009	06/445,310	10/23/84
4,478,707	06/512,050	10/23/84	4,479,013	06/396,970	10/23/84
4,478,709	06/297,306	10/23/84	4,479,015	06/456,521	10/23/84
4,478,711	06/396,647	10/23/84	4,479,022	06/365,994	10/23/84
4,478,715	06/547,977	10/23/84	4,479,027	06/422,944	10/23/84
4,478,724	06/520,377	10/23/84	4,479,029	06/422,901	10/23/84
4,478,728	06/543,730	10/23/84	4,479,037	06/447,614	10/23/84
4,478,730	06/481,367	10/23/84	4,479,039	06/545,518	10/23/84
4,478,733	06/559,593	10/23/84	4,479,040	06/473,032	10/23/84
4,478,742	06/493,396	10/23/84	4,479,041	06/443,826	10/23/84
4,478,743	06/582,757	10/23/84	4,479,047	06/397,331	10/23/84
4,478,744	06/342,418	10/23/84	4,479,049	06/337,244	10/23/84
4,478,751	06/408,668	10/23/84	4,479,056	06/379,079	10/23/84
4,478,757	06/437,810	10/23/84	4,479,057	06/424,082	10/23/84
4,478,764	06/439,583	10/23/84	4,479,059	06/400,545	10/23/84
4,478,765	06/409,062	10/23/84	4,479,063	06/394,727	10/23/84
4,478,768	06/473,244	10/23/84	4,479,071	06/355,441	10/23/84
4,478,770	06/378,655	10/23/84	4,479,072	06/335,187	10/23/84
4,478,771	06/356,442	10/23/84	4,479,073	06/294,970	10/23/84
4,478,774	06/431,239	10/23/84	4,479,074	06/414,274	10/23/84
4,478,784	06/387,113	10/23/84	4,479,075	06/327,031	10/23/84
4,478,787	06/561,236	10/23/84	4,479,077	06/516,269	10/23/84
4,478,793	06/421,629	10/23/84	4,479,090	06/431,404	10/23/84
4,478,798	06/447,820	10/23/84	4,479,098	06/280,500	10/23/84
4,478,803	06/464,752	10/23/84	4,479,100	06/382,733	10/23/84
4,478,804	06/411,353	10/23/84	4,479,104	06/337,234	10/23/84
4,478,810	06/413,484	10/23/84	4,479,107	06/444,181	10/23/84
4,478,811	06/484,650	10/23/84	4,479,108	06/372,736	10/23/84
4,478,812	06/522,694	10/23/84	4,479,115	06/451,549	10/23/84
4,478,813	06/600,776	10/23/84	4,479,116	06/408,704	10/23/84
4,478,815	06/269,404	10/23/84	4,479,121	06/256,160	10/23/84
4,478,818	06/568,480	10/23/84	4,479,128	06/281,323	10/23/84
4,478,820	06/429,589	10/23/84	4,479,129	06/301,056	10/23/84
4,478,821	06/342,860	10/23/84	4,479,137	06/281,551	10/23/84
4,478,826	06/413,633	10/23/84	4,479,144	06/368,098	10/23/84
4,478,827	06/492,835	10/23/84	4,479,155	06/313,363	10/23/84
4,478,828	06/508,589	10/23/84	4,479,157	06/389,536	10/23/84
4,478,832	06/393,216	10/23/84	4,479,166	06/399,165	10/23/84
4,478,833	06/331,285	10/23/84	4,479,167	06/519,456	10/23/84
4,478,834	06/465,849	10/23/84	4,479,168	06/562,931	10/23/84
4,478,844	06/433,086	10/23/84	4,479,173	06/546,171	10/23/84
4,478,851	06/490,478	10/23/84	4,479,174	06/438,798	10/23/84
4,478,855	06/463,546	10/23/84	4,479,176	06/347,046	10/23/84
4,478,858	06/346,828	10/23/84	4,479,183	06/429,358	10/23/84
4,478,864	06/570,472	10/23/84	4,479,189	06/374,859	10/23/84
4,478,879	06/465,364	10/23/84	4,479,196	06/441,730	10/23/84
4,478,880	06/507,651	10/23/84	4,479,200	06/453,110	10/23/84
4,478,884	06/446,695	10/23/84	4,479,206	06/288,337	10/23/84
4,478,885	06/506,158	10/23/84	4,479,209	06/376,137	10/23/84
4,478,890	06/531,387	10/23/84	4,479,217	06/276,316	10/23/84
4,478,892	06/475,895	10/23/84	4,479,223	06/404,178	10/23/84
4,478,893	06/539,508	10/23/84	4,479,224	06/315,145	10/23/84
4,478,895	06/573,539	10/23/84	4,479,231	06/421,282	10/23/84
4,478,897	06/485,829	10/23/84	4,479,232	06/483,884	10/23/84
4,478,899	06/466,223	10/23/84	4,479,237	06/348,257	10/23/84
4,478,902	06/298,348	10/23/84	4,479,238	06/503,842	10/23/84
4,478,906	06/489,388	10/23/84	4,479,246	06/527,199	10/23/84
4,478,919	06/480,936	10/23/84	4,479,247	06/442,960	10/23/84
4,478,923	06/457,569	10/23/84	4,479,265	06/444,627	10/23/84
4,478,930	06/439,250	10/23/84	4,779,289	07/134,999	10/25/88
4,478,931	06/424,473	10/23/84	4,779,294	07/062,723	10/25/88
4,478,937	06/370,273	10/23/84	4,779,296	07/110,419	10/25/88
4,478,938	06/585,744	10/23/84	4,779,298	07/080,665	10/25/88
4,478,943	06/345,841	10/23/84	4,779,299	07/110,171	10/25/88
4,478,946	06/392,111	10/23/84	4,779,302	07/140,654	10/25/88
4,478,947	06/505,025	10/23/84	4,779,304	07/090,565	10/25/88

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4,779,306	07/046,035	10/25/88	4,779,602	07/034,740	10/25/88
4,779,312	07/115,519	10/25/88	4,779,603	07/104,947	10/25/88
4,779,313	07/086,566	10/25/88	4,779,608	07/148,141	10/25/88
4,779,316	07/047,838	10/25/88	4,779,609	07/097,689	10/25/88
4,779,323	06/928,607	10/25/88	4,779,610	07/060,890	10/25/88
4,779,328	07/042,144	10/25/88	4,779,614	07/036,304	10/25/88
4,779,332	07/120,114	10/25/88	4,779,621	07/016,266	10/25/88
4,779,340	06/934,619	10/25/88	4,779,629	06/915,245	10/25/88
4,779,351	06/926,123	10/25/88	4,779,632	06/429,312	10/25/88
4,779,354	07/090,206	10/25/88	4,779,636	07/109,814	10/25/88
4,779,366	06/884,383	10/25/88	4,779,637	07/076,732	10/25/88
4,779,368	07/066,469	10/25/88	4,779,647	07/152,316	10/25/88
4,779,371	07/136,950	10/25/88	4,779,648	07/081,313	10/25/88
4,779,373	07/093,932	10/25/88	4,779,655	07/050,683	10/25/88
4,779,377	07/023,667	10/25/88	4,779,661	07/010,244	10/25/88
4,779,381	07/041,977	10/25/88	4,779,668	06/311,976	10/25/88
4,779,383	07/084,825	10/25/88	4,779,672	06/919,041	10/25/88
4,779,386	06/478,475	10/25/88	4,779,697	06/873,193	10/25/88
4,779,388	07/036,668	10/25/88	4,779,702	07/116,225	10/25/88
4,779,389	07/020,665	10/25/88	4,779,705	06/925,677	10/25/88
4,779,391	07/104,980	10/25/88	4,779,710	07/077,792	10/25/88
4,779,398	07/011,796	10/25/88	4,779,712	06/907,220	10/25/88
4,779,400	07/064,565	10/25/88	4,779,715	07/106,108	10/25/88
4,779,401	07/053,958	10/25/88	4,779,719	07/064,091	10/25/88
4,779,402	07/066,359	10/25/88	4,779,722	07/090,757	10/25/88
4,779,404	06/923,824	10/25/88	4,779,726	07/075,611	10/25/88
4,779,405	07/045,029	10/25/88	4,779,730	07/141,293	10/25/88
4,779,412	07/112,571	10/25/88	4,779,733	07/143,781	10/25/88
4,779,420	07/100,476	10/25/88	4,779,742	07/079,941	10/25/88
4,779,425	07/061,271	10/25/88	4,779,743	07/033,530	10/25/88
4,779,430	06/789,033	10/25/88	4,779,746	07/142,570	10/25/88
4,779,433	07/056,670	10/25/88	4,779,747	07/088,015	10/25/88
4,779,441	06/485,332	10/25/88	4,779,752	07/137,664	10/25/88
4,779,460	07/115,831	10/25/88	4,779,767	06/926,621	10/25/88
4,779,461	07/018,090	10/25/88	4,779,777	06/727,348	10/25/88
4,779,462	06/888,367	10/25/88	4,779,788	07/119,654	10/25/88
4,779,464	07/041,159	10/25/88	4,779,789	06/938,185	10/25/88
4,779,468	07/025,097	10/25/88	4,779,795	07/062,701	10/25/88
4,779,485	06/460,749	10/25/88	4,779,796	07/128,593	10/25/88
4,779,492	06/934,799	10/25/88	4,779,798	07/046,958	10/25/88
4,779,493	07/162,805	10/25/88	4,779,800	06/917,695	10/25/88
4,779,495	07/026,668	10/25/88	4,779,805	06/841,022	10/25/88
4,779,501	06/872,013	10/25/88	4,779,815	07/082,293	10/25/88
4,779,502	07/032,528	10/25/88	4,779,817	07/072,794	10/25/88
4,779,503	07/132,357	10/25/88	4,779,820	07/116,631	10/25/88
4,779,506	07/001,431	10/25/88	4,779,822	06/866,366	10/25/88
4,779,509	07/110,187	10/25/88	4,779,824	07/145,155	10/25/88
4,779,513	06/711,849	10/25/88	4,779,826	07/046,993	10/25/88
4,779,514	07/063,682	10/25/88	4,779,847	07/151,495	10/25/88
4,779,515	07/049,788	10/25/88	4,779,849	07/060,620	10/25/88
4,779,518	06/456,304	10/25/88	4,779,851	07/006,702	10/25/88
4,779,520	07/135,371	10/25/88	4,779,856	07/079,942	10/25/88
4,779,521	07/029,244	10/25/88	4,779,860	07/108,151	10/25/88
4,779,528	06/920,698	10/25/88	4,779,863	07/066,518	10/25/88
4,779,529	07/038,707	10/25/88	4,779,864	07/077,739	10/25/88
4,779,534	07/118,984	10/25/88	4,779,865	07/060,403	10/25/88
4,779,535	07/109,267	10/25/88	4,779,867	06/880,624	10/25/88
4,779,539	06/874,276	10/25/88	4,779,872	07/015,158	10/25/88
4,779,541	07/027,516	10/25/88	4,779,873	06/925,784	10/25/88
4,779,543	07/091,843	10/25/88	4,779,874	07/043,719	10/25/88
4,779,547	07/152,386	10/25/88	4,779,879	07/090,567	10/25/88
4,779,550	07/091,806	10/25/88	4,779,882	07/013,188	10/25/88
4,779,554	06/785,906	10/25/88	4,779,883	07/077,661	10/25/88
4,779,556	06/537,486	10/25/88	4,779,885	07/050,562	10/25/88
4,779,557	07/077,699	10/25/88	4,779,892	07/027,333	10/25/88
4,779,561	07/027,779	10/25/88	4,779,894	07/046,859	10/25/88
4,779,564	07/061,838	10/25/88	4,779,896	07/078,207	10/25/88
4,779,565	07/076,478	10/25/88	4,779,904	06/925,648	10/25/88
4,779,567	07/061,898	10/25/88	4,779,907	07/045,406	10/25/88
4,779,568	06/939,365	10/25/88	4,779,911	07/021,449	10/25/88
4,779,569	07/007,931	10/25/88	4,779,915	07/042,719	10/25/88
4,779,570	06/901,752	10/25/88	4,779,916	07/074,866	10/25/88
4,779,577	06/937,022	10/25/88	4,779,919	06/939,431	10/25/88
4,779,580	07/070,242	10/25/88	4,779,920	07/147,607	10/25/88
4,779,585	07/135,459	10/25/88	4,779,921	07/091,207	10/25/88
4,779,598	07/096,611	10/25/88	4,779,924	07/086,772	10/25/88
4,779,601	07/046,602	10/25/88	4,779,925	07/045,878	10/25/88
			4,779,938	07/111,777	10/25/88
			4,779,948	06/859,574	10/25/88

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4,779,949	06/846,794	10/25/88	4,780,458	06/653,048	10/25/88
4,779,961	07/058,414	10/25/88	4,780,460	06/845,102	10/25/88
4,779,970	07/013,727	10/25/88	4,780,464	06/939,212	10/25/88
4,779,995	06/903,702	10/25/88	4,780,468	07/083,532	10/25/88
4,780,008	07/027,554	10/25/88	4,780,473	07/132,129	10/25/88
4,780,009	07/042,732	10/25/88	4,780,474	07/006,275	10/25/88
4,780,016	07/034,908	10/25/88	4,780,478	06/927,559	10/25/88
4,780,023	06/763,908	10/25/88	4,780,479	07/003,150	10/25/88
4,780,025	07/018,205	10/25/88	4,780,480	07/040,662	10/25/88
4,780,028	06/509,539	10/25/88	4,780,508	07/139,413	10/25/88
4,780,030	07/081,014	10/25/88	4,780,509	07/043,492	10/25/88
4,780,032	07/018,598	10/25/88	4,780,513	06/889,682	10/25/88
4,780,034	06/911,755	10/25/88	4,780,516	07/061,477	10/25/88
4,780,037	07/078,605	10/25/88	4,780,523	07/026,401	10/25/88
4,780,039	06/533,179	10/25/88	4,780,526	06/918,178	10/25/88
4,780,044	07/151,846	10/25/88	4,780,527	07/047,421	10/25/88
4,780,058	06/937,244	10/25/88	4,780,528	06/794,788	10/25/88
4,780,064	06/828,156	10/25/88	4,780,535	06/933,168	10/25/88
4,780,065	07/101,264	10/25/88	4,780,540	07/010,462	10/25/88
4,780,068	07/061,743	10/25/88	4,780,550	07/097,580	10/25/88
4,780,072	06/697,473	10/25/88	4,780,558	06/827,117	10/25/88
4,780,077	06/943,149	10/25/88	4,780,564	07/066,965	10/25/88
4,780,085	06/929,019	10/25/88	4,780,565	07/021,695	10/25/88
4,780,087	07/058,083	10/25/88	4,780,566	06/587,632	10/25/88
4,780,091	07/054,489	10/25/88	4,780,569	06/872,347	10/25/88
4,780,115	07/039,874	10/25/88	4,780,575	07/049,680	10/25/88
4,780,117	07/038,197	10/25/88	4,780,578	07/131,940	10/25/88
4,780,123	07/135,208	10/25/88	4,780,583	06/915,014	10/25/88
4,780,124	07/135,892	10/25/88	4,780,584	06/508,722	10/25/88
4,780,141	06/945,632	10/25/88	4,780,592	06/907,920	10/25/88
4,780,149	07/036,786	10/25/88	4,780,597	07/064,128	10/25/88
4,780,165	06/907,226	10/25/88	4,780,599	06/750,039	10/25/88
4,780,182	07/033,594	10/25/88	4,780,614	06/726,710	10/25/88
4,780,187	07/027,039	10/25/88	4,780,618	07/161,722	10/25/88
4,780,189	07/095,130	10/25/88	4,780,630	07/067,592	10/25/88
4,780,194	06/910,244	10/25/88	4,780,631	07/088,466	10/25/88
4,780,195	06/517,126	10/25/88	4,780,643	06/480,471	10/25/88
4,780,200	06/897,418	10/25/88	4,780,646	07/108,418	10/25/88
4,780,207	06/891,109	10/25/88	4,780,655	07/064,131	10/25/88
4,780,211	06/928,312	10/25/88	4,780,656	07/094,196	10/25/88
4,780,213	06/939,861	10/25/88	4,780,657	07/014,518	10/25/88
4,780,218	07/000,857	10/25/88	4,780,665	06/913,197	10/25/88
4,780,219	07/070,066	10/25/88	4,780,668	06/716,219	10/25/88
4,780,224	07/129,618	10/25/88	4,780,669	06/842,172	10/25/88
4,780,226	07/080,977	10/25/88	4,780,676	07/040,885	10/25/88
4,780,232	07/024,234	10/25/88	4,780,701	07/013,290	10/25/88
4,780,239	06/866,015	10/25/88	4,780,704	07/062,397	10/25/88
4,780,249	06/867,116	10/25/88	4,780,705	07/013,023	10/25/88
4,780,252	07/050,029	10/25/88	4,780,706	07/021,951	10/25/88
4,780,265	06/941,482	10/25/88	4,780,719	06/861,420	10/25/88
4,780,266	06/944,723	10/25/88	4,780,728	07/095,684	10/25/88
4,780,269	06/711,067	10/25/88	4,780,752	06/373,032	10/25/88
4,780,271	06/782,859	10/25/88	4,780,755	07/113,838	10/25/88
4,780,276	07/108,331	10/25/88	4,780,771	07/102,282	10/25/88
4,780,286	06/892,609	10/25/88	4,780,777	07/045,415	10/25/88
4,780,295	07/069,991	10/25/88	4,780,780	06/374,035	10/25/88
4,780,296	07/055,170	10/25/88	4,780,788	06/919,892	10/25/88
4,780,302	06/878,593	10/25/88	4,780,800	06/859,707	10/25/88
4,780,307	06/787,315	10/25/88	4,780,812	07/115,651	10/25/88
4,780,309	07/062,936	10/25/88	4,780,813	06/705,457	10/25/88
4,780,323	06/947,511	10/25/88	4,780,816	06/864,625	10/25/88
4,780,331	07/136,510	10/25/88	4,780,832	06/768,340	10/25/88
4,780,349	07/017,741	10/25/88	4,780,838	06/761,691	10/25/88
4,780,356	06/911,136	10/25/88	4,780,863	07/088,505	10/25/88
4,780,360	06/898,866	10/25/88	4,780,873	06/864,654	10/25/88
4,780,362	07/100,386	10/25/88	4,780,890	06/913,050	10/25/88
4,780,369	06/599,594	10/25/88	4,780,893	07/039,147	10/25/88
4,780,380	06/618,243	10/25/88	4,780,897	06/860,329	10/25/88
4,780,382	06/930,812	10/25/88	4,780,905	06/674,894	10/25/88
4,780,405	06/753,176	10/25/88			
4,780,407	07/073,864	10/25/88			
4,780,421	06/847,505	10/25/88			
4,780,435	07/038,865	10/25/88			
4,780,445	07/069,705	10/25/88			
4,780,446	06/697,186	10/25/88			
4,780,447	07/072,382	10/25/88			
4,780,457	07/079,865	10/25/88			

Reissue Applications Filed

Notice under 37 CFR 1.11 (b). The reissue applications listed below are open to inspection by the general public in the indicated Examining Groups and copies may be obtained by paying the fee therefor (37 CFR 1.21 (b)).

4,968,231, Re. S.N. 07/974,004, Filed Nov. 9, 1992, Cl. 433/216, TREATMENT OF A TOOTH, Daniel H. Darnell, Owner of Record: *Dunhall Pharmaceuticals, Inc., Gravette, Ark.*, Attorney or Agent: Robert Hardy Falk, Ex. Gp.: 3303

4,973,168, Re. S.N. 07/980,159, Filed Nov. 23, 1992, Cl. 366/139, VACUUM MIXING/BONE CEMENT CARTRIDGE AND KIT, Kwan - Ho Chan, Owner of Record: *Inventor*, Attorney or Agent: Alan Holler, Ex. Gp.: 2402

4,986,129, Re. S.N. 07/978,081, Filed Nov. 17, 1992, Cl. 73/756, PRESSURE SENSOR, Friedrich Ruckebauer, et. al., Owner of Record: Dr. H. C. Hans List Avl Gesellschaft Fur Verbrennungskraftmaschinen Und Messtechnik M.B.H. Prof., Graz, Austria., Attorney or Agent: Richard H. Tushin, Ex. Gp.: 2613

4,995,896, Re. S.N. 07/979,241, Filed Nov. 20, 1992, Cl. 205/260, TAKEOUT JAWS, Michael I. Denney, et. al., Owner of Record: *Union Oil Company of California, Brea, Calif.*, Attorney or Agent: Charles Hartman, Ex. Gp.: 1303

5,038,959, Re. S.N. 07/979,246, Filed Nov. 26, 1992, Cl. 220/366, COFFEE LID, Dahyabhai U. Patel, Owner of Record: *Cafe 98 Industries, Ltd., Vancouver, Canada*, Attorney or Agent: Michael J. Keenan, Ex. Gp.: 2401

5,086,598, Re. S.N. 07/978,737, Filed Nov. 19, 1992, Cl. 52/288, WALL BOARD JOINT REINFORCING SYSTEM, Derrell J. Weldy, Owner of Record: *Inventor, Lakeside, Lewis Hein, Alpine & Michael D. Weldy, Campo, all of Calif.*, Attorney or Agent: Katherine Proctor, Ex. Gp.: 3504

5,100,887, Re. S.N. 07/978,980, Filed Nov. 19, 1992, Cl. 514/195, CEPHALOSPORIN DERIVATIVES, Friedhelm Adam, et. al., Owner of Record: *Hoechst Aktiengesellschaft, Frankfurt AM Main*, Federal Republic of Germany, Attorney or Agent: Glenn E.J. Murphy, Ex. Gp.: 1205

5,113,450, Re. S.N. 07/981,004, Filed Nov. 17, 1992, Cl. 206/44, PRESSURE FIT CORD, Robert H. Rademacher, Owner of Record: *Inventor*, Attorney or Agent: William T. Hough, Ex. Gp.: 2404

Requests for Reexamination Filed

Notice under 37 CFR 1.11 (c). The requests for reexamination listed below are open to inspection by the general public in the indicated Examining Groups. Copies of the requests and related papers may be obtained by paying the fee therefor established in the Rules (37 CFR 1.19 (a)).

In the event correspondence to the patent owner is not received, this notice will be considered to be constructive notice to the patent owner and reexamination will proceed (37 CFR 1.248(a)(5) and 1.525(b)).

4,201,099, Reexam. No. 90/002,889, Requested Nov. 9, 1992, Cl. 081/057.39, HYDRAULIC WRENCH, John K. Junkers, Owner of Record: *Inventor, Saddle River, N.J.*, Attorney or Agent: Michael J. Striker, New York, N.Y., Ex. Gp.: 3203, Requester: Owner

4,466,142, Reexam. No. 90/002,892, Requested Nov. 17, 1992, Cl. 004/490, POOL CLEANING HEAD WITH ROTARY POP-UP JET PRODUCING ELEMENT, H. Daniel Gould, Owner of Record: *Shasta Industries, Inc., Phoenix, Ariz.*, Attorney or Agent: Samuel J. Sutton, Cahill, Sutton & Thomas, Phoenix, Ariz., Ex. Gp.: 2403, Requester: Joseph F. McClellan, San Diego, Calif.

4,789,360, Reexam. No. 90/002,894, Requested Nov. 23, 1992, Cl. 439/620, ELECTRICAL CONNECTOR WITH REAR REMOVABLE CONTACTS, Richard L. Paul, et. al., Owner of Record: *Amphenol Corp., Wallingford, Conn.*, Attorney or Agent: Charles R. Wolfe, Jr., Bacon & Thomas, Alexandria, Va., Ex. Gp.: 3202, Requester: Leon D. Rosen, Freilich, Hornbaker & Rosen, Los Angeles, Calif.

4,795,560, Reexam. No. 90/002,895, Requested Nov. 27, 1992, Cl. 210/497.01, SCREEN PLATES, David E. Chupka, et.

al., Owner of Record: *The Black Clawson Co., Middletown, Ohio*, Attorney or Agent: Biebel & French, Dayton, Ohio, Ex. Gp.: 1306, Requester: Owner

4,915,733, Reexam. No. 90/002,890, Requested Nov. 16, 1992, Cl. 075/228, AGGLOMERATED METAL COMPOSITE POWDERS, Heinz-Eckert Schutz, et. al., Owner of Record: *Hermann C. Starck, Berlin GmbH & Co., Kg., Berlin, Germany*, Attorney or Agent: Connolly & Hutz, Wilmington, Del., Ex. Gp.: 2204, Requester: Owner

4,988,797, Reexam. No. 90/002,893, Requested Nov. 23, 1992, Cl. 528/408, CATIONIC POLYMERIZATION OF CYCLIC ETHERS, Robert B. Wardle, et. al., Owner of Record: *Thiokol Corp., Ogden, Utah*, Attorney or Agent: L. Craig Metcalf, Madison & Metcalf, Salt Lake City, Utah, Ex. Gp.: 1501, Requester: Owner

5,062,840, Reexam. No. 90/002,896, Requested Nov. 19, 1992, Cl. 604/385.1, DISPOSABLE DIAPERS, John H. Holt, et. al., Owner of Record: *Inventor, & Debra F. Holt, Ralston, Okla.*, Attorney or Agent: Frank J. Catalano, Head & Johnson, Tulsa, Okla., Ex. Gp.: 3308, Requester: Owner

5,143,923, Reexam. No. 90/002,891, Requested Nov. 16, 1992, Cl. 514/321, BENZOISOTHIAZOLE-AND BENZIS-OXAZOLE-3-CARBOXAMIDES, Nicholas J. Hrib, et. al., Owner of Record: *Hoechst-Roussel Pharmaceuticals, Inc., Somerville, N.J.*, Attorney or Agent: Raymond R. Wittekind, Somerville, N.J., Ex. Gp.: 1205, Requester: Owner

5,152,798, Reexam. No. 90/002,897, Requested Nov. 30, 1992, Cl. 206/561, CONVENIENCE TRAY, Robert J. Forestal, et. al., Owner of Record: *Robert J. Fore, Indianapolis, Ind., H. Terrell Kapf, Danville, Ind.*, Attorney or Agent: Robert A. Spray, Ind., Ex. Gp.: 2404, Requester: William M. Nugent, Washington, D.C.

Erratum

"All reference to Patent No. 5,158,159 to Michael J. Luzzio, N.C.; et. al. for "CYCLIC ANTITUMOR COMPOUNDS" appearing in the *Official Gazette* of Nov. 24, 1992 should be deleted since no patent was granted."

"All reference to Patent No. 5,164,721 to Bruce E. Hamilton, Conn., et. al. for "HELICOPTER VIRTUAL IMAGE DISPLAY SYSTEM INCORPORATING STRUCTURAL OUTLINES" appearing in the *Official Gazette* of Nov. 17, 1992 should be deleted since no patent was granted."

"All reference to Patent No. 5,147,097 to Shuji Hiromoto, et. al. of Japan for "SUSPENSION SYSTEM FOR A VEHICLE" appearing in the *Official Gazette* of Sept. 15, 1992 should be deleted."

Notice of Suspension

B. Peter Barndt of Plano, Texas, and formerly of Spokane, Washington, whose registration number is 31,587, has been suspended effective Nov. 13, 1992 for neglecting to respond to one or more Office actions, not communicating or inadequately communicating with his clients about one or more Office actions affecting their patent applications, and abandoning his clients during the course of prosecuting their patent applications. Mr. Barndt is suspended for a period of five (5) years, and execution of the last four (4) years of the period is suspended provided that during the last (4) years Mr. Barndt shall perform all patent associated work under the supervision of his named supervisor and that he commit no further violations of the Office Code of Professional Responsibility. This action is taken under provisions of 35 U.S.C. § 32, and 37 CFR §§ 10.130 and 10.159(b).

Dec. 11, 1992

CAMERON WEIFFENBACH
Director, Office of
Enrollment and Discipline

CLASSIFICATION OF PATENTS

ISSUED JANUARY 5, 1993

NOTE.—First number, class; second number, subclass; third number, patent number

CLASS 2		119	5,175,949	292	5,176,008	600	5,177,311	634	5,176,755	155	5,176,164
161 A	5,175,886	CLASS 42		CLASS 63		610	5,177,312	653	5,177,322	216.1	5,176,165
174	5,175,887	103	5,177,309	14.1	5,176,009	611	5,177,313	CLASS 119		375	5,176,166
243 R	5,175,888	CLASS 43		CLASS 65		615	5,177,314	3	5,176,100	423	5,176,167
413	5,175,889	17.1	5,175,950	4.2	5,176,730	CLASS 86		6.8	5,176,101	454.5	5,176,168
CLASS 4		17.6	5,175,951	4.3	5,176,728	27	5,177,315	19	5,176,102	512.1	5,176,170
233	5,175,890	18.1	5,175,952	8.1	5,176,729	CLASS 87		51.13	5,176,103	527	5,176,172
236	5,175,891	24	5,175,953	11.1	5,176,731	51	5,176,062	52.1	5,176,104	559	5,176,173
304	5,175,892	36	5,175,954	21.4	5,176,732	CLASS 89		83	5,176,105	590	5,176,174
326	5,175,893	42.36	5,175,955	107	5,176,733	1.11	5,177,316	106	5,176,106	614.18	5,176,175
331	5,175,894	58	5,175,956	CLASS 66		1.14	5,177,317	173	5,176,107	859	5,176,176
393	5,175,895	61	5,175,957	212	5,176,010	46	5,177,318	CLASS 121		883	5,176,177
606	5,175,896	121	5,175,958	CLASS 68		47	5,177,319	175	5,177,119	CLASS 138	
CLASS 5		124	5,175,959	12.02	5,176,011	193	5,177,320	CLASS 122		30	5,176,178
425	5,175,897	139	5,175,960	21	5,176,012	CLASS 91		4 D	5,176,109	130	5,176,179
451	5,175,898	CLASS 44		CLASS 70		369.2	5,176,063	6 A	5,176,110	172	5,176,180
505.1	5,175,899	449	5,176,719	CLASS 51		376 R	5,176,064	CLASS 123		CLASS 139	
CLASS 8		58	5,175,961	18	5,176,013	499	5,176,065	41.01	5,176,111	55.1	5,176,181
137	5,176,713	165.71	5,175,962	232	5,176,014	CLASS 99		41.21	5,176,112	82	5,176,182
400	5,176,715	168	5,175,963	369	5,176,015	340	5,176,067	41.79	5,176,113	93	5,176,183
405	5,176,716	281 P	5,175,964	417	5,176,016	348	5,176,069	52 M	5,176,114	435.2	5,176,184
437	5,176,717	293	5,175,965	CLASS 71		443	5,176,068	179.17	5,176,115	449	5,176,185
524	5,176,718	309	5,177,037	11	5,176,734	494	5,176,070	196 W	5,176,116	455	5,176,186
CLASS 15		CLASS 52		CLASS 72		533	5,176,071	414	5,176,117	CLASS 141	
3.16	5,175,906	163	5,175,966	7	5,176,017	CLASS 100		435	5,176,118	10	5,176,187
97.1	5,175,900	200	5,175,967	53	5,176,018	90	5,176,072	467	5,176,120	98	5,176,189
167.2	5,175,901	223 L	5,175,968	181	5,176,019	112	5,176,073	470	5,176,121	CLASS 144	
245	5,175,902	239	5,175,969	186	5,176,020	116	5,176,074	478	5,176,122	117 R	5,176,190
250.34	5,175,903	309.9	5,175,970	348	5,176,021	282	5,176,075	520	5,176,123	230	5,176,191
262	5,175,904	721	5,175,971	420	5,176,022	CLASS 101		CLASS 126		CLASS 148	
312.1	5,175,905	727	5,175,972	446	5,176,023	123	5,176,076	25 R	5,176,124	24	5,176,759
CLASS 16		742	5,175,973	CLASS 73		126	5,176,078	299 D	5,176,125	222	5,176,760
110 A	5,175,907	743	5,175,974	37.5	5,176,024	142	5,176,077	4	5,176,126	253	5,176,761
237	5,175,908	791	5,175,975	40.5 R	5,176,025	232	5,176,079	20	5,176,127	407	5,176,762
CLASS 19		CLASS 53		79	5,176,026	425	5,176,080	CLASS 128		692	5,176,763
80 R	5,175,909	252	5,175,976	118.1	5,176,027	477	5,176,081	4	5,176,128	CLASS 152	
CLASS 24		399	5,175,977	150 A	5,176,028	CLASS 102		36	5,176,129	158	5,176,764
421	5,175,910	463	5,175,978	323	5,176,029	312	5,177,321	203.15	5,176,132	209 R	5,176,765
562	5,175,913	505	5,175,979	516 R	5,176,031	CLASS 104		395	5,176,133	451	5,176,766
674	5,175,911	587	5,175,980	587	5,176,032	28	5,176,082	402	5,176,134	454	5,176,767
685	5,175,912	597	5,175,981	597	5,176,033	CLASS 105		419 D	5,176,135	523	5,176,768
CLASS 29		724	5,177,579	724	5,176,034	CLASS 106		419 P	5,176,136	530	5,176,770
27 C	5,175,914	863.57	5,176,035	CLASS 74		198.2	5,176,083	419 PG	5,176,138	CLASS 156	
91.1	5,175,915	24	5,176,036	24	5,176,037	CLASS 107		640	5,176,139	85	5,176,771
91.5	5,175,916	53	5,176,037	53	5,176,038	1.11	5,176,743	645	5,176,140	89	5,176,772
267	5,175,917	129	5,176,038	129	5,176,039	1.26	5,176,744	662.03	5,176,141	162	5,176,773
434	5,175,918	140	5,176,040	140	5,176,041	22 R	5,176,745	662.06	5,176,142	181	5,176,774
460	5,175,919	467	5,176,042	467	5,176,043	25 R	5,176,746	677	5,176,143	238	5,176,775
559	5,175,920	471 XY	5,176,044	471 XY	5,176,045	35	5,176,747	692	5,176,144	245	5,176,776
566.4	5,175,921	502.2	5,176,046	502.2	5,176,047	211	5,176,748	731	5,176,145	286	5,176,777
602.1	5,175,922	552	5,176,048	552	5,176,049	237	5,176,749	736	5,176,146	289	5,176,778
CLASS 30		595	5,176,050	595	5,176,051	496	5,176,750	745	5,176,147	307.3	5,176,779
609	5,175,924	606 R	5,176,052	606 R	5,176,053	502	5,176,751	760	5,176,148	315	5,176,780
753	5,175,925	867	5,176,054	867	5,176,055	737	5,176,752	772	5,176,149	345	5,176,781
830	5,175,926	CLASS 75		CLASS 76		819	5,176,753	773	5,176,150	510	5,176,782
874	5,175,927	255	5,176,740	255	5,176,741	CLASS 108		842	5,176,151	574	5,176,783
884	5,175,928	360	5,176,742	360	5,176,743	51.3	5,176,090	844	5,176,152	600	5,176,784
890.142	5,175,929	407	5,176,744	407	5,176,745	CLASS 110		897	5,176,153	601	5,176,785
894.2	5,175,930	CLASS 81		CLASS 82		245	5,176,089	CLASS 131		603	5,176,786
898.061	5,175,931	57.3	5,176,047	57.3	5,176,048	345	5,176,088	282	5,176,154	643	5,176,787
CLASS 33		352	5,176,049	352	5,176,050	346	5,176,087	CLASS 132		604	5,176,788
276	5,175,932	471	5,176,051	471	5,176,052	CLASS 112		76.4	5,176,155	605	5,176,789
322	5,175,933	CLASS 83		CLASS 84		275	5,176,085	218	5,176,156	606	5,176,790
329	5,175,934	1.11	5,176,051	1.11	5,176,052	288	5,176,084	322	5,176,157	607	5,176,791
CLASS 36		18	Re.34.155	18	Re.34.156	CLASS 114		CLASS 133		608	5,176,792
199 R	5,175,935	129	5,176,052	129	5,176,053	39.2	5,176,091	2	5,176,156	609	5,176,793
354	5,175,936	173	5,176,054	173	5,176,055	40	5,176,092	32	5,176,157	610	5,176,794
503	5,175,937	CLASS 85		CLASS 86		61	5,176,093	42	5,176,158	168.1	5,176,795
567	5,175,938	13	5,176,056	13	5,176,057	67 A	5,176,094	186	5,176,159	273.1	5,176,796
628	5,175,939	72	5,176,058	72	5,176,059	127	5,176,095	CLASS 134		CLASS 162	
666	5,175,940	76.1	5,176,060	76.1	5,176,061	183 R	5,176,096	2	5,176,156	4	5,176,793
810	5,175,941	139	5,176,062	139	5,176,063	344	5,176,097	66	5,176,157	123	5,176,794
CLASS 39		415	5,176,064	415	5,176,065	CLASS 116		CLASS 135		135	5,176,795
10	5,175,942	462	5,176,066	462	5,176,067	209	5,176,098	251	5,176,158	168.3	5,176,796
57 A	5,175,943	471.2	5,176,068	471.2	5,176,069	CLASS 118		68.1	5,176,159	174	5,176,797
88	5,175,944	684	5,176,070	684	5,176,071	CLASS 120		119	5,176,160	CLASS 164	
117	5,175,945	CLASS 87		CLASS 88		258	5,176,161	15	5,176,161	6	5,176,195
CLASS 40		CLASS 89		CLASS 90		258	5,176,162	68.1	5,176,162	34	5,176,196
29	5,175,946	CLASS 91		CLASS 92		258	5,176,163	119	5,176,163	459	5,176,197
89	5,175,947	CLASS 93		CLASS 94		258	5,176,164	119	5,176,164	480	5,176,198
117	5,175,948	CLASS 95		CLASS 96		258	5,176,165	119	5,176,165	516	5,176,199

CLASSIFICATION OF PATENTS

CLASS 165	129.1	5,176,803	203	5,176,290	208.1	5,177,349	286	5,176,876	272.3	5,177,375		
1	5,176,199	181.7	5,176,804	CLASS 222	214 VT	5,177,350	CLASS 267	5,176,876	290	5,177,376		
24	5,176,200	182.8	5,176,805		215	5,177,351		103	5,176,367	446	5,177,377	
48.1	5,176,201	192.11	5,176,806		221	5,177,352		140.13	5,176,369	448	5,177,378	
61	5,176,202	196	5,176,807		227.11	5,177,353		140.14	5,176,368	455	5,177,379	
95	5,176,203	206	5,176,808	83	5,176,293	227.15	5,177,354	154	5,176,370	492	5,177,381	
133	5,176,204	273	5,176,809	105	5,176,294	229	5,177,355	CLASS 270	520	5,177,382		
153	5,176,206	CLASS 205	321	5,176,295	231.16	5,177,356	42		5,176,371	CLASS 310	13	5,177,383
64	5,176,207		325	5,176,296	251	5,177,357	53	5,176,372	49 R		5,177,384	
99	5,176,208		400.7	5,176,298	292	5,177,359	CLASS 271	5,176,373	53		5,177,385	
105.5	5,176,216		541	5,176,300	303	5,177,360		3.1	5,176,374		68 B	5,177,386
195	5,176,217	CLASS 206	178	5,176,301	305	5,177,361		9	5,176,375	81	5,177,387	
206	5,176,218		252	5,176,302	332	5,177,362		267	5,176,376	90.5	5,177,388	
290	5,176,219		313	5,176,303	337	5,177,363	CLASS 273	5,176,378	114	5,177,389		
321	5,176,220		330	5,176,304	352	5,177,364		63 A	5,176,379	171	5,177,390	
CLASS 168	18	5,176,221	95	5,176,305	492.2	5,177,365		80 C	5,176,380	183	5,177,391	
	48.1	5,176,222	176	5,176,306	566	5,177,368		138 A	5,176,381	263	5,177,392	
CLASS 172	770	5,176,209	CLASS 226	30.05	5,176,358	CLASS 251	146	5,176,382	CLASS 312	204	5,176,435	
18	5,177,327	61.1		5,176,359	127		5,176,360	153.5		5,176,383	221	5,176,436
CLASS 174	35 R	5,177,324	CLASS 227	49.6	5,176,840	CLASS 252	167 H	5,176,384	351.1	5,176,437		
50	5,177,325	56 D		5,176,841	62.54		5,176,842	167 R	5,176,385	CLASS 313	39	5,177,394
52.4	5,177,326	174.12	5,176,843	184	5,176,844	212 FB	5,176,389	112	5,177,395			
254	5,177,327	184	5,176,845	187.1	5,176,846	CLASS 280	5,176,390	113	5,177,396			
CLASS 175	18	5,176,210	299.61	5,176,847	6.1		5,176,391	318	5,177,397		360.1	5,177,398
	66	5,176,211	358	5,176,848	33.992		5,176,392	360.1	5,177,399	440	5,177,399	
333	5,176,212	389.62	5,176,849	392	5,176,849		250.1	5,176,393	466	5,177,400		
CLASS 178	18	5,177,327	CLASS 232	395	5,176,850	414.2	5,176,394	468	5,177,401	CLASS 315	1	5,177,402
5,177,328	43.2	5,176,315		500	5,176,851	415.1	5,176,395	39.71	5,177,403			
CLASS 180	85	5,176,823	CLASS 235	510	5,176,852	434	5,176,396	154	5,177,404		169.1	5,177,405
5,176,213	151	5,176,824		512	5,176,853	632	5,176,397	260	5,177,406			
268	5,176,214	436	5,177,342	582	5,176,854	670	5,176,398	291	5,177,407			
CLASS 181	232	5,176,826	449	5,177,343	CLASS 254	707	5,176,399	293	5,177,408			
156	5,177,329	462	5,177,345	88		5,176,361	728	5,176,400	366	5,177,409		
CLASS 184	341	5,176,827	467	5,177,346		126	5,176,362	775	5,176,401	368.18	5,177,410	
1.5	5,176,215	346	5,176,829	131		5,176,363	808	5,176,403	370	5,177,411		
CLASS 185	631	5,176,830	CLASS 236	291	5,176,364	840	5,176,404	383	5,177,412			
5,176,223	635	5,176,831		44 C	5,176,316	83	5,176,405	403	5,177,413			
39	5,176,223	638	5,176,317	CLASS 238	4	5,177,567	CLASS 285	128	5,177,415			
52	5,176,224	639	5,176,834		17	5,176,318		24	5,176,406	254	5,177,416	
CLASS 186	670	5,176,836	CLASS 239	2.1	5,176,319	41		5,176,407	265	5,177,417		
5,176,225	703	5,176,835		2.2	5,176,320	42		5,176,408	541	5,177,418		
9 R	5,176,226	767	5,176,837	3	5,176,321	94	5,176,409	568.11	5,177,419			
CLASS 187	800	5,176,838	77	5,176,322	187	5,176,410	319	5,176,411	571	5,177,420		
8.43	5,176,225	CLASS 211	265.41	5,176,323	249	5,176,411	321	5,176,412	696	5,177,421		
9 R	5,176,226		40	5,176,263	260	5,177,572	331	5,176,415	767	5,177,423		
CLASS 188	59	5,176,227	419	5,176,324	295	5,177,568	CLASS 290	40 A	5,177,369	CLASS 320	2	5,177,424
67	5,176,228	419.3	5,176,325	296	5,177,575	143		5,176,416	6		5,177,425	
322.17	5,176,229	459	5,176,326	306	5,177,574	201		5,176,417	13		5,177,426	
87	5,176,230	526	5,176,327	336	5,177,571	CLASS 294		5,176,418	20		5,177,427	
CLASS 191	0.052	5,176,234	CLASS 241	345	5,177,570		7	5,176,419	CLASS 323	207	5,177,428	
4 A	5,176,231	39		5,176,328	368		5,177,578	8.6		5,176,387	281	5,177,429
45	5,176,232	169.1	5,176,329	412	5,177,569		146	5,176,419		284	5,177,430	
48.1	5,176,233	CLASS 242	43 A	5,176,330	437	5,177,581	CLASS 296	5,176,420		349	5,177,431	
58 B	5,176,235		54 R	5,176,331	477	5,177,584		93	5,176,421	CLASS 324	127	5,177,433
107 R	5,176,236	56 R	5,176,332	548	5,177,587	136		5,176,422	158 F		5,177,434	
CLASS 194	10.55 E	59	5,176,333	565	5,177,588	155		5,176,388			5,177,435	
211	5,176,237	75.5	5,176,334	588	5,177,582	CLASS 297	5,176,423		5,177,436			
338	5,176,238	107.40 A	5,176,335	640	5,177,588		17	5,176,424	158 P	5,177,437		
CLASS 198	321	5,176,239	164	5,176,336	674		5,177,591	191	5,176,425	158 R	5,177,438	
343.1	5,176,240	10.55 F	5,177,332	675	5,177,592		93	5,176,426	166	5,177,439		
346.2	5,176,241	69.12	5,177,333	727	5,177,593	CLASS 299	5,176,427	318	5,177,440			
347.3	5,176,242	69.14	5,177,335	758	5,177,592		39	5,176,428		5,177,441		
400	5,176,243	69.17	5,177,336	773	5,177,590		10	5,176,429	637	5,177,442		
430	5,176,244	89	5,177,337	784	5,177,590		CLASS 300	5,176,430		5,177,443		
465.2	5,176,245	121.52	5,177,338	CLASS 261	39.3	5,176,855		5,176,431		5,177,444		
790	5,176,246	467	5,177,339		142	5,176,856		100	5,176,432		5,177,445	
831	5,176,247	494	5,177,340		CLASS 264	14		5,176,857	102	5,176,433		5,177,446
850	5,176,248	543	5,177,341			40.1	5,176,858	103	5,176,434		5,177,447	
CLASS 200	201	5,176,275	206.1	5,176,346		46.6	5,176,860	113.1	5,176,435		5,177,448	
5 A	5,177,330	220.2	5,176,347	231.5		5,176,349	101	5,176,861		5,177,449		
61.45 R	5,177,331	230	5,176,348	236.5	5,176,350	103	5,176,862	CLASS 307	252	5,177,450		
159	5,176,798	243	5,176,349	238.5	5,176,351	113	5,176,863		253	5,177,451		
185.3	5,176,799	256	5,176,350	241	5,176,352	122.5	5,176,864		267	5,177,452		
CLASS 202	520	276	5,176,351	241	5,176,353	225	5,176,865		289	5,177,453		
CLASS 203	574	404	5,176,280	241	5,176,354	265	5,176,866	CLASS 332	103	5,177,455		
31	5,176,800	574	5,176,281	241	5,176,355	267	5,176,867					
CLASS 204	3	659	5,176,282	241	5,176,356	267	5,176,868					
64 T	5,176,810	3	5,176,283	241	5,176,357	267	5,176,869					
86	5,176,801	45	5,176,284	241	5,176,358	267	5,176,870					
106	5,176,802	93	5,176,285	241	5,176,359	267	5,176,871					
		45	5,176,286	241	5,176,360	267	5,176,872					
		124	5,176,287	241	5,176,361	267	5,176,873					
		168	5,176,288	241	5,176,362	267	5,176,874					
			5,176,289	241	5,176,363	267	5,176,875					
				201.1	5,177,348	267	5,176,876					
				78	5,176,839	267	5,176,877					
				201.1	5,177,348	267	5,176,878					
				201.1	5,177,348	267	5,176,879					
				201.1	5,177,348	267	5,176,880					
				201.1	5,177,348	267	5,176,881					
				201.1	5,177,348	267	5,176,882					
				201.1	5,177,348	267	5,176,883					
				201.1	5,177,348	267	5,176,884					
				201.1	5,177,348	267	5,176,885					
				201.1	5,177,348	267	5,176,886					
				201.1	5,177,348	267	5,176,887					
				201.1	5,177,348	267	5,176,888					
				201.1	5,177,348	267	5,176,889					
				201.1	5,177,348	267	5,176,890					
				201.1	5,177,348	267	5,176,891					
				201.1	5,177,348	267	5,176,892					
				201.1	5,177,348	267	5,176,893					
				201.1	5,177,348	267	5,176,894					
				201.1	5,177,348	267	5,176,895					
				201.1	5,177,348	267	5,176,896					
				201.1	5,177,348	267	5,176,897					
				201.1	5,177,348	267	5,176,898					
				201.1	5,177,348	267	5,176,899					
				201.1	5,177,348	267	5,176,900					
				201.1	5,177,348	267	5,176,901					
				201.1	5,17							

CLASSIFICATION OF PATENTS

CLASS 333	271	5,177,541	341	5,177,664	10.1	5,177,744	CLASS 395	50	5,176,898				
1.1	5,177,456	5,177,542	380	5,177,665	21.1	5,177,745	800	5,177,679	51	5,176,899			
139	5,177,457	5,177,543	382	5,177,666	37.1	5,177,746	CLASS 400	54	5,176,900				
206	5,177,458	5,177,549	385	5,177,667	51.1	5,177,747	120	5,176,458	63	5,176,902			
CLASS 335	285	5,177,550	386	5,177,668	18	5,177,748	160	5,176,459	66	5,176,903			
83	5,177,459	5,177,551	388	5,177,670	20	5,177,749	202	5,176,460	69	5,176,904			
CLASS 336	301	5,177,552	392	5,177,671	22	5,177,750	279	5,176,461	70	5,176,905			
12	5,177,460	5,177,553	395	5,177,672	36	5,177,751	CLASS 401	78.08	5,176,906				
CLASS 340	308	5,177,544	527	5,177,673	38	5,177,752	202	5,176,461	85.8	5,176,907			
314	5,177,546	5,177,545	534	5,177,674	45	5,177,753	252	5,176,462	88	5,176,908			
321	5,177,547	5,177,546	99	5,176,438	50	5,177,754	407.1	5,176,465	92	5,176,909			
324	5,177,548	5,177,547	108	5,176,439	61	5,177,755	16	5,176,466	93 J	5,176,910			
326	5,177,554	5,177,554	152	5,176,440	66	5,177,756	265	5,176,463	94.63	5,176,911			
CLASS 356	267	5,176,441	286	5,176,442	94	5,177,764	370	5,176,464	195.1	5,176,912			
73	5,177,556	5,176,443	413	5,176,443	45	5,177,757	407.1	5,176,465	405	5,176,913			
73.1	5,177,557	CLASS 363	25	5,177,675	50	5,177,758	CLASS 405	448	5,176,915				
152	5,177,558	5,177,676	80	5,177,676	61	5,177,759	16	5,176,466	448	5,176,916			
237	5,177,559	5,177,677	89	5,177,677	66	5,177,760	23	5,176,467	449	5,176,917			
308	5,177,560	5,177,678	98	5,177,678	94	5,177,764	68	5,176,467	449	5,176,918			
326	5,177,561	CLASS 364	401	5,177,680	72	5,177,763	133	5,176,470	450	5,176,919			
350	5,177,562	5,177,681	424.05	5,177,681	8	5,176,449	211	5,176,471	529	5,176,921			
358	5,177,566	5,177,682	424.06	5,177,682	164	5,176,450	230	5,176,472	89	5,176,922			
375	5,177,563	5,177,683	436	5,177,683	179	5,176,451	288	5,176,473	150	5,176,923			
381	5,177,564	5,177,684	443	5,177,684	8	5,176,449	299	5,176,474	174	5,176,924			
446	5,177,565	5,177,685	459	5,177,685	164	5,176,450	191	5,176,475	191	5,176,925			
CLASS 357	70	5,176,366	464.03	5,177,686	179	5,176,451	63	5,176,476	461	5,176,926			
CLASS 358	12	5,177,597	468	5,177,687	1	5,177,765	CLASS 375	59	5,176,477	CLASS 426	20	5,176,927	
21 R	5,177,598	5,177,688	474.26	5,177,688	60	5,177,769	137	5,176,479	182	5,176,479	20	5,176,928	
29	5,177,599	5,177,689	474.27	5,177,689	435	5,176,877	244	5,176,480	59	5,176,477	42	5,176,928	
37	5,177,600	5,177,690	485	5,177,691	60	5,177,769	CLASS 409	531	5,176,933	124	5,176,929		
80	5,177,603	5,177,692	502	5,177,693	60	5,177,769	137	5,176,479	242	5,176,930	50	5,176,929	
86	5,177,604	5,177,693	526	5,177,694	CLASS 376	5,176,877	182	5,176,479	250	5,176,932	51	5,176,930	
98	5,177,605	5,177,694	553	5,177,695	CLASS 377	5,177,770	244	5,176,480	531	5,176,933	549	5,176,934	
103	5,177,606	5,177,696	557	5,177,696	60	5,177,771	60	5,176,481	601	5,176,935	618	5,176,936	
107	5,177,607	5,177,697	571.04	5,177,697	39	5,177,771	170	5,176,482	655	5,176,937	CLASS 427	146	5,176,939
136	5,177,608	5,177,698	723	5,177,699	24	5,177,772	310	5,176,483	240	5,176,484	202	5,176,940	
140	5,177,609	5,177,700	724.1	5,177,700	39	5,177,771	240	5,176,484	392	5,176,485	226	5,176,941	
167	5,177,610	5,177,701	736	5,177,701	60	5,177,772	428	5,176,487	472	5,176,486	379	5,176,942	
CLASS 343	183	5,177,611	753	5,177,702	34	5,177,773	525.4	5,176,488	587	5,176,489	447	5,176,938	
5,177,492	198	5,177,612	767	5,177,703	43	5,177,774	587	5,176,489	626	5,176,490	64	5,176,943	
5,177,494	213.22	5,177,613	CLASS 365	78	5,177,704	99	5,177,775	626	5,176,490	694	5,176,491	99	5,176,944
5,177,493	214	5,177,615	78	5,177,705	117	5,177,776	694	5,176,491	730	5,176,492	136	5,176,945	
5,177,495	254	5,177,616	185	5,177,706	206	5,177,777	786	5,176,493	795.6	5,176,494	138	5,176,946	
5,177,496	296	5,177,617	189.03	5,177,707	59	5,177,780	795.6	5,176,494	173.1	5,176,495	195	5,176,947	
CLASS 346	335	5,177,618	189.04	5,177,708	412	5,177,781	173.1	5,176,495	209.2	5,176,496	198	5,176,949	
1.1	5,177,497	203	5,177,707	5,177,708	423	5,177,782	209.2	5,176,496	230	5,176,497	209	5,176,950	
76 PH	5,177,498	7	5,176,445	5,176,446	430	5,177,784	230	5,176,497	CLASS 416	315.5	5,176,953		
107 R	5,177,499	CLASS 366	114	5,176,445	6	5,177,785	97 R	5,176,499	317.9	5,176,954	317.9	5,176,954	
5,177,500	406	5,176,446	164	5,176,447	10	5,177,786	219 R	5,176,500	336	5,176,955	336	5,176,955	
5,177,501	429	5,176,447	167	5,176,448	14	5,177,787	224	5,176,501	402	5,176,957	402	5,176,957	
5,177,502	457	5,176,448	CLASS 367	38	5,177,709	23	5,177,788	CLASS 417	403	5,176,958	403	5,176,958	
5,177,503	462	5,176,449	38	5,177,710	17	5,177,787	18	5,176,502	405	5,176,960	405	5,176,960	
5,177,504	468	5,176,450	88	5,177,711	23	5,177,788	61	5,176,503	409	5,176,961	409	5,176,961	
5,177,505	486	5,176,451	105	5,177,712	28	5,177,789	216	5,176,504	500	5,176,962	500	5,176,962	
151	5,177,506	CLASS 359	262	5,177,716	45	5,177,791	295	5,176,505	546	5,176,963	546	5,176,963	
157	5,177,507	38	5,177,709	5,177,710	18	5,177,798	368	5,176,506	552	5,176,964	552	5,176,964	
160	5,177,508	88	5,177,710	5,177,711	34	5,177,799	409	5,176,507	694	5,176,965	694	5,176,965	
CLASS 351	135	5,177,629	105	5,177,711	51	5,177,801	423.7	5,176,508	CLASS 429	26	5,176,966	26	5,176,966
44	5,177,509	5,177,630	CLASS 368	28	5,177,712	119	5,177,801	479	5,176,510	31	5,176,967	31	5,176,967
45	5,177,510	5,177,631	28	5,177,712	4	5,177,792	104	5,176,511	194	5,176,968	194	5,176,968	
205	5,177,511	5,177,632	47	5,177,713	30	5,177,793	5	5,176,879	212	5,176,969	212	5,176,969	
221	5,177,512	5,177,633	80	5,177,715	48	5,177,794	63	5,176,880	CLASS 430	5	5,176,970	5	5,176,970
CLASS 352	341	5,177,634	262	5,177,716	50	5,177,795	82	5,176,881	7	5,176,971	7	5,176,971	
129	5,177,513	5,177,635	CLASS 369	14	5,177,717	56	5,177,796	82.07	5,176,882	14	5,176,972	14	5,176,972
CLASS 354	384	5,177,636	14	5,177,717	43	5,176,452	211	5,176,883	15	5,176,973	15	5,176,973	
64	5,177,515	5,177,637	32	5,177,718	43	5,176,452	292	5,176,884	42	5,176,974	42	5,176,974	
81	5,177,516	5,177,638	34	5,177,719	45	5,176,453	6	5,176,885	49	5,176,975	49	5,176,975	
82	5,177,517	5,177,639	36	5,177,720	276	5,176,454	29	5,176,886	58	5,176,976	58	5,176,976	
174	5,177,518	5,177,640	43	5,177,721	493	5,176,455	70	5,176,887	110	5,176,977	110	5,176,977	
266	5,177,519	5,177,641	44.16	5,177,722	537	5,176,456	213.2	5,176,888	137	5,176,980	137	5,176,980	
286	5,177,520	5,177,642	48.270	5,177,723	12	5,177,805	239	5,176,889	244	5,176,981	244	5,176,981	
298	5,177,521	5,177,643	49.29	5,177,724	20	5,177,806	240 S	5,176,890	270	5,176,982	270	5,176,982	
319	5,177,522	5,177,644	44.37	5,177,725	43	5,176,452	328.1	5,176,891	281	5,176,983	281	5,176,983	
320	5,177,523	5,177,645	48	5,177,726	45	5,176,453	342	5,176,892	284	5,176,984	284	5,176,984	
400	5,177,524	5,177,646	49	5,177,727	276	5,176,454	344	5,176,893	306	5,176,985	306	5,176,985	
402	5,177,525	5,177,647	51	5,177,728	493	5,176,455	368	5,176,894	351	5,176,986	351	5,176,986	
432	5,177,526	5,177,648	75.1	5,177,729	537	5,176,456	410	5,176,895	461	5,176,987	461	5,176,987	
CLASS 355	77.08	5,177,649	77.1	5,177,730	12	5,177,805	574 R	5,176,896	505	5,176,988	505	5,176,988	
77.14	5,177,650	5,177,650	100	5,177,731	20	5,177,806	659	5,176,897	569	5,176,989	569	5,176,989	
78.05	5,177,651	5,177,651	258	5,177,732	43	5,176,452	CLASS 423	5,176,885	584	5,176,991	584	5,176,991	
99.08	5,177,652	5,177,652	CLASS 370	32.1	5,177,733	45	5,176,453	29	5,176,886	584	5,176,992	584	5,176,992
103	5,177,653	5,177,653	32.1	5,177,734	276	5,176,454	213.2	5,176,888	244	5,176,981	244	5,176,981	
132	5,177,654	5,177,654	58.1	5,177,735	493	5,176,455	240 S	5,176,889	270	5,176,982	270	5,176,982	
133	5,177,655	5,177,655	60	5,177,736	537	5,176,456	328.1	5,176,891	281	5,176,983	281	5,176,983	
CLASS 361	35.1	5,177,645	67	5,177,737	12	5,177,805	342	5,176,892	284	5,176,984	284	5,176,984	
60	5,177,646	5,177,645	84	5,177,738	20	5,177,806	344	5,176,893	306	5,176,985	306	5,176,985	
70	5,177,647	5,177,646	85.8	5,177,739	43	5,177,803	368	5,176,894	351	5,176,986	351	5,176,986	
75	5,177,648	5,177,647	10										

CLASSIFICATION OF PATENTS

354	CLASS 431	24	5,176,557	227	5,177,052	591	5,177,141	550	5,177,226	25	5,176,620
	5,176,512	26	5,176,558		5,177,053	740	5,177,142				
	CLASS 432			CLASS 504		848	5,177,143	CLASS 552		CLASS 602	
58	5,176,513	35	5,176,559	116	5,176,736			201	5,177,227	8	5,176,621
	CLASS 433	175	5,176,560	168	5,176,735	65	5,177,144		CLASS 554	19	5,176,131
2	5,176,514	267	5,176,561	247	5,176,739	67	5,177,145	129	5,177,228	27	5,176,622
24	5,176,515			252	5,176,737	74	5,177,146	167	5,177,229	65	5,176,623
72	5,176,516	CLASS 452		289	5,176,738	88	5,177,147				5,176,624
180	5,176,517	136	5,176,562			133	5,177,148	CLASS 556		CLASS 604	
	CLASS 434	166	5,176,563	CLASS 505		184	5,177,149	13	5,177,230	8	5,176,625
		169	5,176,564	1	5,177,054	199	5,177,150	21	5,177,231		5,176,626
37	5,176,518				5,177,055	213	5,177,151	148	5,177,232		5,176,627
208	5,176,517	6	5,176,565	CLASS 512		286	5,177,152	150	5,177,233	22	5,176,628
295	5,176,519			22	5,177,057	314	5,177,153	470	5,177,234	31	5,176,629
350	5,176,520	CLASS 454				328.2	5,177,154	478	5,177,235	41	5,176,630
407	5,176,521	61	5,176,566	CLASS 514		338	5,177,155	479	5,177,236	65	5,176,631
415	5,176,522	155	5,176,567			393	5,177,156		CLASS 558	66	5,176,632
	CLASS 435	285	5,176,568	4	5,177,058	398	5,177,157	77	5,177,237	86	5,176,633
		305	5,176,569	8	5,177,059	420	5,177,158	125	5,177,238	87	5,176,634
5	5,176,994	309	5,176,570	15	5,177,060	438	5,177,159	189	5,177,239	96	5,176,635
6	5,176,995	320	5,176,571	18	5,177,061	446	5,177,160	190	5,177,240		5,176,636
	5,176,996	341	5,176,572	23	5,177,062	481	5,177,161	194	5,177,241	101	5,176,637
	5,176,997			30	5,177,063			351	5,177,242	110	5,176,638
7.2	5,176,998	CLASS 460		51	5,177,064	CLASS 526		442	5,177,243		5,176,639
7.23	5,177,000	42	5,176,573	53	5,177,065	70	5,177,162			133	5,176,640
7.5	5,176,999	100	5,176,574	54	5,177,066	76	5,177,163		CLASS 560	135	5,176,641
68.1	5,177,001			183	5,177,067	82	5,177,164	11	5,177,244		5,176,642
	5,177,002	099	5,176,575	184	5,177,068	245	5,177,165	55	5,177,245	141	5,176,643
71.1	5,177,003	111	5,176,576	210	5,177,069	249	5,177,166	67	5,177,246	143	5,176,644
84	5,177,004			215	5,177,070	279	5,177,167	75	5,177,247	154	5,176,645
94	5,177,005	CLASS 472		220	5,177,071	321	5,177,168	86	5,177,248	158	5,176,646
121	5,177,006	118	5,176,578	224.8	5,177,072			90	5,177,249	164	5,176,647
123	5,177,007	CLASS 474		233.5	5,177,073	400	5,177,169	100	5,177,250		5,176,648
139	5,177,008			234.2	5,177,074			118	5,177,251	167	5,176,649
	5,177,009	1	5,176,579	248	5,177,075	CLASS 528		145	5,177,252		5,176,650
172.3	5,177,010	101	5,176,580	249	5,177,076	76	5,177,170	207	5,177,253	181	5,176,651
	5,177,011	110	5,176,581	252	5,177,077	83	5,177,171	244	5,177,254	198	5,176,652
175	5,177,012	166	5,176,582	253	5,177,078	153	5,177,172		CLASS 562		5,176,653
176	5,177,013	206	5,176,584	269	5,177,079	171	5,177,173	87	5,177,255	232	5,176,654
188	5,177,014			277	5,177,080	174	5,177,174	107	5,177,256	247	5,176,655
193	5,177,015	212	5,176,585	279	5,177,081	183	5,177,175	401	5,177,257	280	5,176,656
240.2	5,177,197	216	5,176,586	286	5,177,082	188	5,177,176	463	5,177,258	282	5,176,657
240.27	5,177,016			296	5,177,083	339.3	5,177,177	488	5,177,259		5,176,658
252.33	5,177,017	33	5,176,588	305	5,177,084		5,177,178	535	5,177,260	283	5,176,659
253.5	5,177,018	221	5,176,589	307	5,177,085	353	5,177,179		CLASS 564	305	5,176,660
	CLASS 436	249	5,176,590	328	5,177,086		5,177,180	153	5,177,261	317	5,176,661
104	5,177,019	252	5,176,591	331	5,177,087	374	5,177,181	156	5,177,262	349	5,176,662
501	5,177,020	278	5,176,592	339	5,177,088	388	5,177,182	186	5,177,263	356	5,176,663
518	5,177,021	297	5,176,593	357	5,177,089	392	5,177,183	205	5,177,264	368	5,176,664
524	5,177,022			363	5,177,090		5,177,184		CLASS 568	385.1	5,176,665
533	5,177,023	11	5,176,594	369	5,177,091	422	5,177,185	460	5,177,265	387	5,176,666
536	5,177,024	51	5,176,595	381	5,177,092		5,177,186	492	5,177,266	391	5,176,667
	CLASS 437	52	5,176,596	383	5,177,093	CLASS 530		726	5,177,267	905	5,176,668
31	5,177,025	74	5,176,597	384	5,177,094	324	5,177,188	761	5,177,268		5,176,669
39	5,177,026	79	5,176,598	386	5,177,095		5,177,189		CLASS 570	7	5,176,670
41	5,177,027	91	5,176,599	399	5,177,096	350	5,177,190	119	5,177,270	15	5,176,671
	5,177,028	120	5,176,600	407	5,177,097	383	5,177,191	156	5,177,271	32	5,176,672
47	5,177,029	124	5,176,601	411	5,177,101	391.5	5,177,192		5,177,272	46	5,176,673
129	5,177,030	130	5,176,602	413	5,177,102	397	5,177,193	169	5,177,273	61	5,176,674
220	5,177,031	131	5,176,603	439	5,177,103	412	5,177,194	172	5,177,274		5,176,675
	5,177,032	140		460	5,177,104			175	5,177,275	64	5,176,676
	CLASS 439			502	5,177,105	829	5,177,195		CLASS 585	72	5,176,677
64	5,176,523	29	5,176,604	538	5,177,106			255	5,177,276	87	5,176,678
68	5,176,524			553	5,177,107	22.1	5,177,196	275	5,177,277	107	5,176,679
	5,176,525	31	5,176,605	569	5,177,108	25.33	5,177,197	312	5,177,278	128	5,176,680
108	5,176,526	47	5,176,606	572	5,177,109	90	5,177,198	323	5,177,279	133	5,176,681
134	5,176,527	85	5,176,607	594	5,177,110			324	5,177,280	148	5,176,682
181	5,176,528	125	5,176,608	646	5,177,111			329	5,177,281	151	5,176,683
	5,176,529	154	5,176,609	654	5,177,112	CLASS 540		446	5,177,282	162	5,176,684
290	5,176,530	194	5,176,610	722.5	5,177,113	122	5,177,200	455	5,177,283	174	5,176,685
326	5,176,531	213	5,176,611			200	5,177,201	467	5,177,284	181	5,176,686
340	5,176,532	315	5,176,612	703	5,177,114	302	5,177,202	472	5,177,285	192	5,176,687
352	5,176,533	354	5,176,613			456	5,177,203	481	5,177,286	206	5,176,688
402	5,176,534	421	5,176,614	CLASS 518				522	5,177,287	217	5,176,689
495	5,176,535	427	5,176,615	CLASS 521		59	5,177,115	526	5,177,288	234	5,176,690
582	5,176,536					110	5,177,116	607	5,177,289	243	5,176,691
595	5,176,537	CLASS 494		117	5,177,117	126	5,177,118	646	5,177,290	257	5,176,692
607	5,176,538	037	5,176,616	159	5,177,118	185	5,177,119	655	5,177,291	270	5,176,693
622	5,176,539					263	5,177,120	658	5,177,292	286	5,176,694
709	5,176,540	CLASS 501		109	5,177,120	276	5,177,121	805	5,177,293	298	5,176,695
736	5,176,541					277	5,177,122	819	5,177,294	306	5,176,696
821	5,176,542	9	5,177,033	116	5,177,121	300	5,177,123	823	5,177,295	326	5,176,697
859	5,176,543	17	5,177,034	201	5,177,122			824	5,177,296	337	5,176,698
878	5,176,544	82	5,177,035	210	5,177,123	81	5,177,211	826	5,177,297	341	5,176,699
885	5,176,545	84	5,177,036	219	5,177,124	321	5,177,212	855	5,177,298	357	5,176,700
		92	5,177,037	404	5,177,125			864	5,177,299	371	5,176,701
	CLASS 440	95	5,177,038	458	5,177,126	CLASS 548		943	5,177,300	384	5,176,702
1	5,176,546	103	5,177,039	500	5,177,127				5,177,301	401	5,176,703
38	5,176,547			CLASS 518		142	5,177,212		5,177,302	419	5,176,704
47	5,176,548	66	5,177,041	44	5,177,128	255	5,177,213		5,177,303	437	5,176,705
62	5,176,549	119	5,177,042	48	5,177,129	262.8	5,177,214		5,177,304	455	5,176,706
72	5,176,550	125	5,177,043	60	5,177,130	407	5,177,215		5,177,305	473	5,176,707
88	5,176,551	162	5,177,044	100	5,177,131	500	5,177,216		5,177,306		5,176,708
	CLASS 441	164	5,177,045	114	5,177,132	557	5,177,217		5,177,307	13	5,176,709
16	5,176,552	167	5,177,046	139	5,177,133				5,177,308	16	5,176,710
79	5,176,553	200	5,177,047	284	5,177,134	CLASS 549		201	5,177,309	20	5,176,711
129	5,176,554	205	5,177,048	315	5,177,135			257	5,177,310	23	5,176,712
	5,176,555	229	5,177,049	376	5,177,136	25	5,177,218		5,177,311		5,176,713
	CLASS 445										

CLASSIFICATION OF DESIGNS

D2—	29	332.170		309	332.199		87	332.228		114	332.257		35	332.286		231	332.314	
	185	332.171		311	332.200		96	332.229		118	332.258		40	332.287		56	332.317	
	190	332.172		384	332.201		106	332.230			332.259		25	332.288		119	332.315	
	279	332.173		392.1	332.202			332.231		125	332.260		108	332.289		122	332.316	
	314	332.174		512	332.203		109	332.232		188	332.261		111	332.291		24	332.318	
D3—	31	332.175		629	332.204		114	332.233		230	332.262		157	332.290		38	332.319	
	104	332.176	D8—	1	332.205		115	332.234		241	332.263		221	332.292		44	332.320	
D4—		332.177		4	332.206	D11—	35	332.235		4	332.264		232	332.293		46	332.321	
	119	332.178		11	332.207		65	332.236			332.265		253	332.294			332.322	
D5—	62	332.179		68	332.208		146	332.237		7	332.266		112	332.295		48	332.323	
D6—	328	332.180		70	332.209			332.238			332.267		117	332.296		155	332.325	
	356	332.181		93	332.210	D12—	1	332.239			332.268		128	332.297		181	332.324	
	366	332.182		105	332.211		114	332.240			332.269		134	332.298	D28—	64.5	332.327	
	369	332.183		380	332.212		155	332.241		14	332.270		147	332.299		83	332.328	
	397	332.184		499	332.213		157	332.242		32	332.271		202	332.300		87	332.326	
	404	332.186	D9—	339	332.214			332.243		138	332.272		207	332.301	D32—	8	332.329	
	407	332.185		415	332.216		180	332.244		D16—	208	332.273		223	332.303		15	332.330
		332.187		424	332.217		181	332.245		D18—	2	332.274		261	332.302		41	332.331
	421	332.188		430	332.218		188	332.246			12	332.275		311	332.304	D34—	1	332.332
		332.189			332.219		193	332.247				332.276		371	332.305		5	332.333
	446	332.190		434	332.220		320	332.248				332.277		108	332.306		9	332.334
	458	332.191		447	332.221			332.249				332.278		128	332.311		24	332.335
	484	332.192			332.222		321	332.250		39	332.279		129	332.307		25	332.336	
	518	332.193		448	332.223	D13—	138	332.251		43	332.280		130	332.308		28	332.339	
		332.194		503	332.215		142	332.252		D19—	36	332.281		146	332.309		31	332.337
	519	332.195		523	332.224		156	332.253			51	332.282		160	332.312		35	332.338
		332.196		553	332.225	D14—	100	332.254				332.283		177	332.313		40	332.340
	555	332.197	D10—	69	332.226		106	332.255		86	332.284		208	332.310		29	332.341	
D7—	300.2	332.198		78	332.227		109	332.256		D20—	7	332.285						

CLASSIFICATION OF PLANTS

P.—	33.1	8,082		41.1	8,084		49	8,086		8,088					
		8,083		42.1	8,085		87.12	8,087		8,089			8,090		8,091

STATUTORY INVENTION REGISTRATIONS

60—	39	75	H1124	102—	221	H1131	367—	128	H1132						
86—		24	H1130	210—	718	H1126	430—	545	H1127	452—	38	H1125	526—	271	H1128
														168	H1129

GEOGRAPHICAL INDEX OF RESIDENCE OF INVENTORS

(U.S. States, Territories and Armed Forces, the Commonwealth of Puerto Rico, and the Canal Zone)

Alabama	1	Kentucky	21	Oregon	41
Alaska	2	Louisiana	22	Pennsylvania	42
American Samoa	3	Maine	23	Puerto Rico	43
Arizona	4	Maryland	24	Rhode Island	44
Arkansas	5	Massachusetts	25	South Carolina	45
California	6	Michigan	26	South Dakota	46
Canal Zone	7	Minnesota	27	Tennessee	47
Colorado	8	Mississippi	28	Texas	48
Connecticut	9	Missouri	29	Utah	49
Delaware	10	Montana	30	Vermont	50
District of Columbia	11	Nebraska	31	Virginia	51
Florida	12	Nevada	32	Virgin Islands	52
Georgia	13	New Hampshire	33	Washington	53
Guam	14	New Jersey	34	West Virginia	54
Hawaii	15	New Mexico	35	Wisconsin	55
Idaho	16	New York	36	Wyoming	56
Illinois	17	North Carolina	37	U.S. Air Force	57
Indiana	18	North Dakota	38	U.S. Army	58
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Kansas	20	Oklahoma	40		

(First number in listing denotes location according to above key. Refer to patent number in body of the Official Gazette to obtain details as to inventor name, location, etc.)

PATENTS

01 :	5,176,161	5,176,343	5,176,910	5,177,748	5,176,000	5,175,966
	5,176,280	5,176,344	5,176,921	5,177,750	5,176,095	5,175,980
	5,177,317	5,176,357	5,176,970	5,177,754	5,176,228	5,175,997
04 :	5,177,358	5,176,383	5,176,995	5,177,761	5,176,244	5,176,023
	5,176,016	5,176,386	5,176,998	5,177,764	5,176,258	5,176,059
	5,176,124	5,176,388	5,177,011	5,177,771	5,176,379	5,176,083
	5,176,202	5,176,393	5,177,017	5,175,895	5,176,426	5,176,093
	5,176,254	5,176,401	5,177,025	5,175,975	5,176,500	5,176,099
	5,176,361	5,176,415	5,177,047	5,176,008	5,176,550	5,176,115
	5,176,581	5,176,442	5,177,049	5,176,588	5,176,560	5,176,128
	5,176,707	5,176,448	5,177,050	5,176,598	5,176,611	5,176,169
	5,176,760	5,176,455	5,177,060	5,176,630	5,176,652	5,176,175
	5,177,376	5,176,493	5,177,072	5,176,870	5,176,660	5,176,209
	5,177,381	5,176,515	5,177,083	5,176,945	5,176,685	5,176,215
	5,177,438	5,176,548	5,177,143	5,177,169	5,176,702	5,176,232
	5,177,439	5,176,553	5,177,188	5,177,348	5,176,762	5,176,236
	5,177,618	5,176,577	5,177,189	5,177,595	5,176,773	5,176,265
05 :	5,177,784	5,176,597	5,177,191	5,177,628	5,176,912	5,176,293
	5,175,955	5,176,603	5,177,194	5,177,640	5,176,997	5,176,312
	5,176,522	5,176,619	5,177,206	5,177,765	5,177,064	5,176,318
06 :	5,176,879	5,176,620	5,177,221	5,177,766	5,177,107	5,176,321
	5,175,893	5,176,622	5,177,307	5,175,994	5,177,127	5,176,325
	5,175,897	5,176,623	5,177,329	5,176,173	5,177,134	5,176,327
	5,175,898	5,176,627	5,177,342	5,176,241	5,177,275	5,176,338
	5,175,899	5,176,631	5,177,362	5,176,307	5,177,283	5,176,347
	5,175,902	5,176,634	5,177,402	5,176,380	5,177,324	5,176,355
	5,175,918	5,176,638	5,177,417	5,176,735	5,177,325	5,176,360
	5,175,935	5,176,644	5,177,427	5,176,814	5,177,351	5,176,392
	5,175,958	5,176,648	5,177,437	5,176,844	5,177,355	5,176,396
	5,175,959	5,176,649	5,177,440	5,176,902	5,177,385	5,176,400
	5,175,981	5,176,656	5,177,465	5,176,925	5,177,404	5,176,520
	5,176,001	5,176,657	5,177,488	5,177,212	5,177,477	5,176,528
	5,176,014	5,176,661	5,177,489	5,177,213	5,177,665	5,176,532
	5,176,049	5,176,662	5,177,497	5,177,594	5,177,669	5,176,549
	5,176,060	5,176,665	5,177,509	5,176,187	5,177,739	5,176,574
	5,176,094	5,176,667	5,177,560	5,176,249	5,177,747	5,176,582
	5,176,108	5,176,678	5,177,562	5,176,538	5,177,759	5,176,585
	5,176,135	5,176,688	5,177,579	5,176,757	5,175,956	5,176,595
	5,176,143	5,176,693	5,177,580	5,176,888	5,176,272	5,176,609
	5,176,151	5,176,696	5,177,587	5,176,891	5,176,354	5,176,625
	5,176,155	5,176,699	5,177,591	5,176,926	5,176,440	5,176,633
	5,176,156	5,176,706	5,177,604	5,177,120	5,176,513	5,176,682
	5,176,160	5,176,711	5,177,629	5,177,163	5,176,612	5,176,687
	5,176,165	5,176,728	5,177,632	5,177,176	5,177,133	5,176,697
	5,176,253	5,176,754	5,177,650	5,177,179	5,177,347	5,176,807
	5,176,257	5,176,771	5,177,651	5,177,224	5,177,787	5,176,815
	5,176,259	5,176,790	5,177,660	5,177,230	5,176,741	5,176,816
	5,176,263	5,176,802	5,177,675	5,177,332	5,177,027	5,176,848
	5,176,284	5,176,838	5,177,679	5,177,806	5,177,028	5,176,849
	5,176,288	5,176,865	5,177,687	5,176,452	5,177,030	5,176,897
	5,176,320	5,176,882	5,177,732	5,175,892	5,177,032	5,176,928
	5,176,326	5,176,896	5,177,741	5,175,944	5,175,889	5,176,950
	5,176,337	5,176,899	5,177,745	5,175,986	5,175,927	5,176,953

GEOGRAPHICAL INDEX OF RESIDENCE OF INVENTORS

5,177,065	5,177,252	30 :	5,175,920	5,176,086	5,176,323	5,177,187
5,177,251	5,177,262		5,176,048	5,176,102	5,176,486	5,177,192
5,177,277	5,177,304	31 :	5,176,150	5,176,147	5,176,495	5,177,270
5,177,285	5,177,346		5,176,248	5,176,171	5,176,496	5,177,271
5,177,286	5,177,393		5,176,328	5,176,205	5,176,499	5,177,278
5,177,295	5,177,407	32 :	5,175,971	5,176,235	5,176,506	5,177,392
5,177,299	5,177,436		5,176,831	5,176,255	5,176,566	5,177,630
5,177,300	5,177,461		5,177,645	5,176,264	5,176,596	5,177,657
5,177,320	5,177,555	33 :	5,177,243	5,176,269	5,176,607	5,176,301
5,177,327	5,177,633		5,177,453	5,176,289	5,176,647	5,176,559
5,177,344	5,177,661		5,177,517	5,176,414	5,176,751	5,176,748
5,177,409	5,177,685	34 :	5,175,989	5,176,458	5,176,753	5,176,750
5,177,458	5,177,788		5,176,188	5,176,521	5,176,755	5,177,172
5,177,460	5,177,789		5,176,193	5,176,561	5,176,764	5,176,068
5,177,666	5,175,916		5,176,224	5,176,573	5,176,766	5,176,251
5,177,695	5,175,926	26 :	5,176,227	5,176,577	5,176,863	5,176,479
5,177,702	5,175,953		5,176,299	5,176,677	5,176,900	5,176,745
5,177,755	5,175,965		5,176,302	5,176,692	5,176,984	5,176,851
5,177,780	5,175,969		5,176,363	5,176,738	5,177,010	5,177,128
18 :	5,175,933		5,176,054	5,176,385	5,177,035	5,177,200
5,176,402	5,176,058		5,176,411	5,176,803	5,177,108	5,177,209
5,176,431	5,176,105		5,176,438	5,176,809	5,177,151	5,176,195
5,176,590	5,176,221		5,176,502	5,176,811	5,177,180	5,176,252
5,176,591	5,176,231		5,176,545	5,176,817	5,177,340	5,176,445
5,176,642	5,176,256		5,176,572	5,176,821	5,177,363	5,176,565
5,176,853	5,176,292		5,176,704	5,176,839	5,177,395	5,176,628
5,176,876	5,176,368		5,176,713	5,176,908	5,177,419	5,176,684
5,176,892	5,176,378		5,176,719	5,176,934	5,177,441	5,176,694
5,177,149	5,176,436		5,176,722	5,176,947	5,177,756	5,176,881
5,177,244	5,176,477		5,176,736	5,176,961	40 :	5,176,180
5,177,331	5,176,480		5,176,747	5,176,977	5,176,216	5,177,558
5,177,408	5,176,536		5,176,749	5,176,980	5,176,219	5,175,890
5,177,413	5,176,733		5,176,792	5,176,990	5,176,365	5,175,964
5,177,565	5,176,758		5,176,813	5,176,991	5,176,778	5,175,973
5,177,613	5,176,826		5,176,819	5,176,992	5,176,820	5,176,077
19 :	5,177,800		5,176,824	5,177,000	5,176,834	5,176,082
5,176,045	5,176,887		5,176,898	5,177,023	5,176,893	5,176,138
5,176,407	5,176,906		5,176,901	5,177,039	5,177,003	5,176,162
5,176,419	5,176,999		5,176,903	5,177,052	5,177,130	5,176,164
5,176,491	5,177,037		5,176,930	5,177,063	5,177,174	5,176,166
20 :	5,176,090		5,176,983	5,177,081	5,177,479	5,176,211
5,176,485	5,177,079		5,177,005	5,177,124	41 :	5,175,921
5,176,621	5,177,106		5,177,006	5,177,142	5,176,028	5,176,218
5,176,710	5,177,217		5,177,042	5,177,146	5,176,222	5,176,220
5,176,931	5,177,234		5,177,057	5,177,165	5,176,423	5,176,268
21 :	5,176,019		5,177,259	5,177,181	5,176,487	5,176,285
5,176,084	5,177,259		5,177,070	5,177,293	5,176,703	5,176,319
5,176,286	5,177,406		5,177,074	5,177,298	5,176,878	5,176,340
5,176,367	5,177,464		5,177,088	5,177,353	5,177,473	5,176,364
5,176,460	5,177,567		5,177,095	5,177,424	42 :	5,175,911
5,176,795	5,177,682		5,177,097	5,177,442	5,175,925	5,176,467
5,176,837	5,177,683		5,177,101	5,177,475	5,175,928	5,176,472
5,177,129	5,177,713	27 :	5,177,104	5,177,476	5,175,940	5,176,512
5,177,374	5,175,906		5,177,111	5,177,491	5,175,987	5,176,514
22 :	5,175,950		5,177,113	5,177,500	5,176,029	5,176,554
5,176,208	5,176,037		5,177,113	5,177,507	5,176,033	5,176,601
5,177,231	5,176,131		5,177,122	5,177,529	5,176,057	5,176,643
5,177,235	5,176,137		5,177,126	5,177,538	5,176,087	5,176,650
5,177,250	5,176,147		5,177,147	5,177,541	5,176,129	5,176,651
5,177,321	5,176,278		5,177,154	5,177,542	5,176,158	5,176,669
23 :	5,176,389		5,177,190	5,177,543	5,176,170	5,176,712
5,177,014	5,176,358		5,177,201	5,177,551	5,176,177	5,176,744
24 :	5,176,005		5,176,464	5,177,559	5,176,192	5,176,798
5,176,145	5,176,488		5,176,888	5,177,561	5,176,260	5,176,833
5,176,377	5,176,517		5,176,517	5,177,617	5,176,275	5,176,836
5,176,478	5,176,530		5,177,219	5,177,631	5,176,281	5,176,847
5,176,599	5,176,555		5,177,225	5,177,658	5,176,311	5,176,855
5,176,600	5,176,636		5,177,239	5,177,667	5,176,339	5,176,872
5,176,617	5,176,666		5,177,242	5,177,691	5,176,342	5,176,883
5,176,654	5,176,686		5,177,248	5,177,698	5,176,349	5,176,918
5,176,732	5,176,695		5,177,263	5,177,704	5,176,350	5,176,933
5,176,788	5,176,698		5,177,266	5,177,740	5,176,352	5,176,948
5,176,907	5,176,723		5,177,268	5,177,744	5,176,362	5,176,996
5,176,964	5,176,779		5,177,279	5,177,783	5,176,421	5,177,019
5,177,238	5,176,786		5,177,281	5,177,791	5,176,437	5,177,045
5,177,309	5,176,936		5,177,284	5,177,796	5,176,476	5,177,073
5,177,487	5,176,943		5,177,288	5,177,803	5,176,526	5,177,105
5,177,644	5,176,952		5,177,290	37 :	5,175,905	5,177,114
5,177,710	5,176,956		5,177,296	5,175,908	5,176,535	5,177,155
25 :	5,175,938		5,177,306	5,175,924	5,176,562	5,177,208
5,175,942	5,176,973		5,177,316	5,176,101	5,176,575	5,177,267
5,175,947	5,177,696		5,177,326	5,176,153	5,176,645	5,177,269
5,176,002	5,177,782		5,177,370	5,176,303	5,176,659	5,177,276
5,176,004	5,175,937	28 :	5,177,456	5,176,468	5,176,705	5,177,289
5,176,024	5,175,943		5,177,459	5,176,775	5,176,725	5,177,297
5,176,091	5,176,097		5,177,486	5,176,830	5,176,763	5,177,301
5,176,133	5,176,466		5,177,611	5,177,008	5,176,794	5,177,366
5,176,142	5,176,503		5,177,634	5,177,009	5,176,808	5,177,371
5,176,172	5,176,578		5,177,656	5,177,198	5,176,823	5,177,387
5,176,332	5,177,510		5,177,684	5,177,676	5,176,827	5,177,563
5,176,484	5,175,957	29 :	5,177,734	38 :	5,175,968	5,177,688
5,176,527	5,175,967		5,177,737	39 :	5,175,900	5,177,705
5,176,558	5,176,067		5,177,769	5,175,941	5,176,864	5,177,785
5,176,602	5,176,191		5,177,774	5,175,951	5,176,868	5,177,785
5,176,618	5,176,246	35 :	5,176,030	5,175,970	5,176,885	5,175,974
5,176,629	5,176,435		5,176,207	5,176,934	5,176,974	5,175,977
5,176,641	5,176,658		5,176,689	5,176,034	5,177,001	5,176,072
5,176,655	5,176,683		5,176,886	5,176,036	5,177,002	5,176,473
5,176,752	5,176,840		5,177,352	5,176,042	5,177,034	5,177,315
5,176,799	5,176,867	36 :	5,175,901	5,176,088	5,177,046	5,176,691
5,176,828	5,176,924		5,175,915	5,176,107	5,177,071	5,176,015
5,176,874	5,177,054		5,175,929	5,176,110	5,177,092	5,176,092
5,176,965	5,177,193		5,175,962	5,176,174	5,177,096	5,176,134
5,176,968	5,177,240		5,175,998	5,176,240	5,177,117	5,176,274
5,176,972	5,177,261		5,176,013	5,176,287	5,177,119	5,176,308
5,177,168	5,177,335		5,176,018	5,176,291	5,177,150	5,176,345
5,177,241	5,177,360		5,176,080	5,176,316	5,177,170	5,176,394

GEOGRAPHICAL INDEX OF RESIDENCE OF INVENTORS

	5,176,606		5,176,381		5,177,196		5,176,247		5,176,544		5,176,894
	5,176,700		5,176,465		5,177,508		5,176,267		5,176,551		5,176,946
	5,177,805		5,176,525		5,177,616		5,176,277		5,176,570		5,177,308
53 :	5,175,887		5,176,543	54 :	5,177,294		5,176,304		5,176,610		5,177,380
	5,175,888		5,176,594	55 :	Re.34,157		5,176,315		5,176,668		5,177,390
	5,175,960		5,176,701		5,175,945		5,176,356		5,176,670		5,177,447
	5,175,996		5,176,951		5,175,978		5,176,391		5,176,671		5,177,662
	5,176,031		5,177,015		5,176,106		5,176,417		5,176,672		5,177,697
	5,176,152		5,177,061		5,176,178		5,176,494				

DESIGN PATENTS

04 :	332,251		332,309		332,261		332,332		332,333		332,299
05 :	332,334		332,318		332,285	27 :	332,223	37 :	332,324		332,320
	332,336	08 :	332,185		332,296		332,268	39 :	332,224	48 :	332,206
06 :	332,173		332,254		332,311		332,269		332,252		332,220
	332,192		332,256		332,327		332,297		332,302		332,253
	332,193	09 :	332,202	18 :	332,233	29 :	332,294		332,312		332,260
	332,194		332,211		332,244	33 :	332,304		332,315		332,317
	332,195		332,226		332,313	34 :	332,171		332,316	49 :	332,175
	332,196		332,240	19 :	332,179		332,184		332,339		332,222
	332,203		332,250	20 :	332,221		332,198	40 :	332,170	51 :	332,283
	332,205	12 :	332,172		332,273		332,215		332,237	53 :	332,199
	332,216		332,176		332,341		332,218		332,238		332,212
	332,218		332,178	23 :	332,197		332,340		332,292		332,227
	332,219		332,236	24 :	332,177	36 :	332,186		332,297		332,270
	332,229		332,241		332,245		332,187	41 :	332,174		332,335
	332,243		332,298	25 :	332,288		332,235		332,232		332,207
	332,271	13 :	332,200	26 :	332,188		332,262		332,331	55 :	332,213
	332,287	16 :	332,330		332,189		332,264	42 :	332,230		332,281
	332,300	17 :	332,183		332,209		332,290		332,242		332,293
	332,306		332,217		332,247		332,328		332,286		

PLANT PATENTS

06 :	8,084		8,086		8,083	17 :	8,087		8,088	42 :	8,089
	8,085	12 :	8,082								

STATUTORY INVENTION REGISTRATIONS

06 :	H1126	10 :	H1129								
09 :	H1131	13 :	H1125	19 :	H1130	24 :	H1124	36 :	H1132	42 :	H1128

Summary of Final Decisions
Issued by the
Trademark Trial and Appeal Board
Nov. 23 - 27, 1992

Date Issued	Type of Proceeding ⁽¹⁾	Proceeding of App'n No.	Party/Parties	Issue	TTAB Decision	Opposer's/ Petitioner's Mark and Goods/Services	Applicant's/ Respondent's Mark and Goods/Services	Mark and Goods of Registration Cited by Examining Atty.	Recommended for Publication
11-24	OPP	83,192	Int'l. Business Machines Corp. v. Mobile Billboards Inc.	2(d)	Opposition Dismissed	"IBM" (and design) [manufacturing, distributing, advertising and selling a wide variety of computers, computer peripherals and software]	"MBI MOBILE BILLBOARDS INC." (and design) [advertising services, namely, placing advertisements on trucks, other mobile vehicles, and shopping carts]		No
11-25	EX	74/100,937	Eloc Electronics Mfg., Inc.	2(e)(1)	Refusal Affirmed		"TWEezer ELECTROLYSIS" [medical electric hair removal epilator]		No
11-25	EX	74-055,292	Atavio Inc.	2(e)(1)	Refusal Reversed		"ATAVIO" [fashion jewelry]		Yes
11-25	CAN	19,455	Nap, Inc. v. Richard Leeds Int'l. Inc.	2(d)	Petition to cancel Granted	"NAP INC." [clothing, namely, dresses, loungewear, bathrobes, sleepwear, intimate apparel, and towels]			No

(1) EX= EX PARTE APPEAL; OPP= OPPOSITION; C= CANCELLATION; CU= CONCURRENT USE; (R)= REQ. FOR RECONSIDERATION

TRADEMARK OPERATION

Jeffrey M. Samuels, Assistant Commissioner
 Robert M. Anderson, Deputy Assistant Commissioner
 David E. Bucher, Director, Trademark Examining Operation
 Condition of Trademark Applications as of December 1, 1992

Law Office	Oldest Date	
	New*	Amend- ment Filed
Law Office 3—Kathryn A. Dobbs, Managing Attorney, (703) 308-9103 Scientific Equipment, Furniture, Houseware and Glass—Int. Classes 9, 20, 21 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/29/92	9/27/92
Law Office 4—Sharon Marsh, Managing Attorney, (703) 308-9104 Scientific Equipment, Furniture, Houseware and Glass—Int. Classes 9, 20, 21 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/21/92	8/04/92
Law Office 5—Mary Sparrow, Managing Attorney, (703) 308-9105 Cosmetics, Cleaning Preparations, Paper Products and Toys—Int. Classes 3, 16, 28 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	—0—	9/30/92
Law Office 6—Myra Kurzbard, Managing Attorney, (703) 308-9106 Scientific Equipment, Furniture, Houseware and Glass—Int. Classes 9, 20, 21 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/10/92	10/05/92
Law Office 7—David Shallant, Managing Attorney, (703) 308-9107 Lubricants, Fuels, Industrial Equipment & Materials—Int. Classes 4, 6, 11, 14, 19 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/18/92	9/22/92
Law Office 8—Thomas Lamone, Managing Attorney, (703) 308-9108 Cosmetics, Cleaning Preparations, Paper Products & Toys—Int. Classes 3, 16, 28 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/14/92	9/08/92
Law Office 9—Sidney Moskowitz, Managing Attorney, (703) 308-9109 Lubricants, Industrial Equipment, Materials & Musical Instruments— Int. Classes 4, 6, 7, 8, 12, 13, 15, 16, 17, 18, 19, 34 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/15/92	10/08/92
Law Office 10—Jean Logan, Managing Attorney, (703) 308-9110 Cordage, Fibers, Yarns, Threads, Fabrics, Clothing & Floor Covering— Int. Classes 22, 23, 24, 25, 26, 27 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/04/92	9/16/92
Law Office 11—Thomas Howell, Managing Attorney, (703) 308-9111 Paints, Pharmaceuticals & Medical Apparatus—Int. Classes 2, 5, 10 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/17/92	9/09/92
Law Office 12—Deborah Cohn, Managing Attorney, (703) 308-9112 Cosmetics, Cleaning Preparations, Paper Products & Toys—Int. Classes 3, 16, 28 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	—0—	10/21/92
Law Office 13—Craig Morris, Managing Attorney, (703) 308-9113 Chemicals, Food, Beverages, Wines & Spirits—Int. Classes 1, 29, 30, 31, 32, 33 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/14/92	11/04/92
Law Office 14—Ron Williams, Managing Attorney, (703) 308-9114 Chemicals, Food, Beverages, Wines & Spirits—Int. Classes 1, 29, 30, 31, 32, 33 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/25/92	9/28/92
Law Office 15—Paul Fahrenkopf, Managing Attorney, (703) 308-9115 Rubber, Leather Goods & Clothing—17, 18, 25 Services—Int. Classes 35, 36, 37, 38, 39, 40, 41, 42	9/30/92	9/03/92
** Collective Marks—Class 200		
** Certification Marks—Classes A & B		
Trademark Services Division—Doreane I. Poteat, Director, (703) 308-9400		
Post Registration Section—Jacqueline Cole, Managing Attorney, (703) 308-9500		
Affidavits Under Sections 8 & 15 (All Classes)	9/04/92	—0—
Renewals (All Classes)	10/02/92	—0—
Section 12(C) Publications (All Classes)	—0—	—0—

** Assigned to each law office

Applicants with inquiries concerning the status of their applications and a touch tone telephone should call (703) 305-8747 through 305-9752 from 6:30 A.M. to Midnight Est, Monday thru Friday. This automated voice system will provide the current status of your application. Applicants are urged not to file unnecessary inquiries concerning the status of their applications. See Section 411 of the *Trademark Manual of Examining Procedure*.

* These dates identify the oldest unassigned new case in each law office. All cases with earlier dates have either been examined and made the subject of an action or are currently being worked on by the assigned examiner.

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Box 6	Mail for the Office of Procurement
Box 7	Reissue applications for patents involved in litigation and subsequently filed related papers.
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Box 13	Mail for the Employee and Labor Relations Division.
Box 14	Invoices directed to the Office of Finance.
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Box 16	Deposit Account Replenishment Checks
Box 171	Vacancy Announcement Applications.
Box AF	Expedited procedure for processing amendments and other responses after final rejection.
Box DAC	Petitions to revive, petitions to accept late payment of fees, petitions to defer issue, and petitions to withdraw an application from issue.
Box Assignment	All assignment documents except those filed with new applications.
Box DD	Mail related to Disclosure Documents.
Box EEO	Mail for the Office of Equal Employment Programs.
Box FWC	Requests for File Wrapper Continuation Applications (under 37 CFR 1.62)
Box Interference	Communications relating to interferences and applications and patents involved in interference.
Box Issue Fee	All Communications following the receipt of a PTOL-85. "Notice of Allowance and Issue Fee Due," and prior to the issuance of a patent should be addressed to Box Issue Fee, unless advised to the contrary. Assignments should be submitted in a separate envelope and not be sent to Box Issue Fee.
Box ITU	All intent to use documents, excluding the initial application and amendments to allege use.
Box M. Fee	Correspondence related to a patent that is subject to the payment of a maintenance fee.
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Box OED	Mail for the Office of Enrollment and Discipline
Box PATENT APPLICATION	New patent application and associated papers and fees.
Box TRADEMARK	New trademark application and associated papers and APPLICATION fees.
Box Pat. Ext.	Applications for patent term extension.
Box PCT	Mail related to applications filed under the Patent Cooperation Treaty.
Box Reexam	Requests for Reexamination for <i>original</i> request papers <i>only</i> .
Box Sequence	Submission of diskette for biotechnical application.
Box SN	For fee and petitions under 37 CFR 1.182 to obtain date received and/or serial number for patent applications <i>prior</i> to the Office's standard notification (return postcard or the official "Filing Receipt," "Notice to File Missing Parts," or "Notice of Incomplete Application").
Box Reconstruction	Correspondence pertaining to the reconstruction of lost patent files.

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Arizona	Tempe: Noble Library, Arizona State University	(602) 965-7010
Arkansas	Little Rock: Arkansas State Library	(501) 682-2053
California	Los Angeles City Library	(213) 612-3273
	Sacramento: California State Library	(916) 654-0069
	San Diego Public Library	(619) 236-5813
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Colorado	Denver Public Library	(303) 640-8847
Connecticut	New Haven: Science Park Library	(203) 786-5447
Delaware	Newark: University of Delaware Library	(302) 831-2965
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	Springfield: Illinois State Library	(217) 782-5659
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	West Lafayette: Siegesmund Engineering Library, Purdue University	(317) 494-2873
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	College Park: Engineering and Physical Sciences Library, University of Maryland	(301) 405-9157
Massachusetts	Amherst: Physical Sciences Library, University of Massachusetts	(413) 545-1370
	Boston Public Library	(617) 536-5400 Ext. 265
Michigan	Ann Arbor: Engineering Library, University of Michigan	(313) 764-5298
	Big Rapids: Abigail S. Timme Library, Ferris State University	(616) 592-3602
	Detroit Public Library	(313) 833-1450
Minnesota	Minneapolis Public Library and Information Center	(612) 372-6570
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	Lincoln: Engineering Library, University of Nebraska-Lincoln	(402) 472-3411
Nevada	Reno: University of Nevada, Reno Library	(702) 784-6579
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New Mexico	Piscataway: Library of Science and Medicine, Rutgers University	(908) 932-2895
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New York	Albany: New York State Library	(518) 473-4636
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Oregon	Salem: Oregon State Library	(503) 378-4239
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Rhode Island	Providence Public Library	(401) 455-8027
South Carolina	Charleston: Medical University of South Carolina Library	(803) 792-2372
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PATENT EXAMINING CORPS

EDWARD E. KUBASIEWICZ, Assistant Commissioner
STEPHEN G. KUNIN, Deputy Assistant Commissioner

PATENT EXAMINING GROUPS	Phone Number Area Code 703	New Case Date*
CHEMICAL EXAMINING GROUPS		
GENERAL METALLURGICAL, INORGANIC, PETROLEUM AND ELECTRICAL CHEMISTRY, AND ENGINEERING, GROUP 1100 — D. E. TALBERT, Director	308-0661	1/23/92
ORGANIC CHEMISTRY, GROUP 1200 — JOHN F. TERAPANE, JR., Director	308-1235	4/16/92
SPECIALIZED CHEMICAL INDUSTRIES AND CHEMICAL ENGINEERING, GROUP 1300 — DONALD CZAJA, Acting Director	308-0651	3/27/92
HIGH POLYMER CHEMISTRY, PLASTICS, COATING, PHOTOGRAPHY, STOCK MATERIALS AND COMPOSITIONS, GROUP 1500 — J. O. THOMAS, Director	308-2351	3/27/92
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GENERAL CONSTRUCTION, PETROLEUM AND MINING ENGINEERING, GROUP 3500 — A.L. SMITH, Director	308-1021	12/24/91

*A communication from the examiner should have been received in most applications filed prior to this date.

Expiration of Patents: The patents within the range of numbers indicated below expire during December 1992 except those which may have had their terms curtailed by disclaimer under the provisions of 35 U.S.C. 253. Other patents, issued after the dates of the range of numbers indicated below, may have expired before the full term of 17 years for the same reasons, or have lapsed under the provisions of 35 U.S.C. 151

Patents	Numbers 3,922,721 to 3,930,270 inclusive
Plant Patents	3,812 to 3,823

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